

University of California

Report to the Western Association of Schools and Colleges

*Submitted in Preparation for the October 8-9, 2009, WASC Team
Special Visit to the UC Office of the President*

August 25, 2009

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I. Introduction

This report provides information for the Special Visit to be conducted at the University of California Office of the President (UCOP) on October 8-9, 2009, by an evaluation team from the Western Association of Schools and Colleges (WASC). WASC requested the visit in a Commission Action Letter dated February 26, 2008, to President Robert Dynes, UC's chief executive at the time (*Appendix 1*). The purpose of the upcoming review is to assess progress made in addressing issues raised in the Commission letter as well as related recommendations from a WASC team report for a Special Visit conducted at UCOP in October 2007 (*Appendix 2*).

In brief, the four issues highlighted by the Commission are:

- strengthening the role of the President;
- redefining the role of the Board of Regents;
- reviewing the operational culture of the Board; and,
- continuing efforts to address compensation practices.

In addition, the five recommendations from the Special Visit Team Report are:

- to build processes to assure that adopted policies are preserved, understood, and publicly available;
- to continue building an effective governance structure including a strong and properly staffed Audit Committee supported by financial accounting and control systems with a system for verifying regulatory compliance;
- to develop procedures for timely appointments of senior officers consistent with the competitive marketplace;
- to develop a clear understanding of the roles, responsibilities, and expectations of both the President and the Board of Regents; and,
- to develop protocols to support campus leaders during periods of turmoil and effective central systems for common administrative functions.

As a presidential search was underway when WASC issued the Action Letter, the Commission also requested a meeting with President Dynes' successor within 60 days of appointment. A meeting between WASC Executive Director Ralph Wolff and President Mark Yudof took place in July 2008.

Organization of Report

A significant portion of the report is devoted to progress the University has made over the past year and a half to address governance issues that were the primary concerns identified in both the Commission Action Letter and the Special Visit Team Report. Those broad categories of concern (noted above) provide section headings to organize presentation of numerous, critical steps UC has taken with respect to the role of the President as well as the role and operational culture of the Board of Regents. Activities that relate to recommendations from the Team Report are presented in the context of these broad categories and then linked with the recommendations in chart form.

While commending the University for the many measures undertaken to address compensation issues, the Commission expressed an interest in continuing efforts on compensation policy and practice. Accordingly, one section of the report highlights major activities of interest since the previous visit. More detailed information from summary charts in the appendices provides a comprehensive reference on compensation-related activities.

Per WASC guidelines, the report includes identification of new challenges facing the University. A concluding statement provides UC's perspective on how Board and UCOP reforms--taken as a whole since compensation issues first arose three years ago--relate to the WASC accreditation standards.

Report Preparation and Review

Report preparation involved members of both the Regents' and the President's staff. The Office of the Secretary and Chief of Staff to the Regents took the lead in drafting sections related to the Board's governance role, operational culture and efforts to strengthen the role of the President. Staff in Human Resources provided the tables on the status of actions related to recommendations from the UC Task Force on Compensation, Accountability and Transparency as well as response to reviews conducted by the Bureau of State Audits, UC Internal Audit, and PricewaterhouseCoopers. The UCOP Planning, Programs & Coordination unit took the lead in writing other report sections, integrating these sections with the Secretary and Chief of Staff's work and HR contributions, and finalizing the report.

Leaders from the Board, the administration and the Academic Senate reviewed the report. The following lists individuals who were provided an opportunity to read and comment on the draft.

Regents: Russ Gould, Board Chair
Sherry Lansing, Board Vice Chair
Paul Wachter, Governance Chair
Joanne Kozberg, Governance Committee member
Bruce Varner, Compensation Committee Chair

Regents' Officers: General Counsel and Vice President for Legal Affairs
Charles Robinson
Chief Compliance and Audit Officer and Senior Vice
President Sheryl Vacca
Secretary and Chief of Staff to the Regents Diane Griffiths

UCOP: President Mark Yudof
Interim Provost Larry Pitts
Chief Financial Officer Peter Taylor
Executive Vice President Katie Lapp (*Business Operations*)
Executive Vice President Bruce Darling (*Laboratory Management*)
Senior Vice President Dan Dooley (*External Relations*)
Senior Vice President John Stobo (*Health Sciences and Services*)
Vice President Dwaine Duckett (*Human Resources*)

Academic Senate: Mary Croughan, 2008-09 Council Chair
Henry Powell, 2008-09 Council Vice Chair

Copies of the final report will be sent to individuals listed above, to all members of the Board of Regents and to the Chancellors.

Major Changes since the Last WASC Visit

The University has undergone significant changes at the system level since the last WASC visit in October 2007. Chief among these transitions was the appointment of President Yudof who assumed office June 16, 2008. The President, moreover, continued a major effort to restructure the Office of the President that was underway when he arrived. Restructuring was motivated by the need both to improve performance and efficiency of UCOP as well as to restore Board and campus confidence in its operations.

The organization, management and staffing of UCOP is quite different now than it was eighteen months ago. Each division has undergone a full restructuring review. A coordinated effort was made to streamline essential services to make them more efficient and to improve their effectiveness. Analyses were conducted to determine whether UCOP units added value in terms of functions required at the system level. Specific strategies deployed to enhance efficiency and improve performance included the following: (*Appendix 3, p.4-6*)

- consolidation of redundant administrative support functions into single UCOP-wide units organized and staffed to serve the entire organization efficiently;
- thorough department-by-department reviews, identification of low-priority activities to be eliminated and high-priority functions requiring additional investment;
- reconfiguration of organizational units to align with priorities that support the President's role as chief executive officer, academic leader, primary external advocate and guardian of the public trust;
- implementation of a voluntary separation program (through June 30, 2008);
- imposition of vacancy controls as well as rigorous controls on travel, entertainment and other expenditures;
- establishment of consistent governance and oversight of programs administered by the UCOP on behalf of the system; and,
- refinement of UCOP budget process and financial controls.

Comparison of the current organizational structure with that in place at the time of the last visit highlights leadership changes that have taken place (*Appendix 4*). Two new positions report directly to the President: an Executive Vice President/Chief Financial Officer and an Associate Vice President for Policy and Analysis. The latter oversees two new units: Institutional Research and the Issues Management, Policy Analysis and Coordination unit. In addition, responsibilities for certain areas that were previously paired have since been separated. External Relations and Laboratory Management are now distinct divisions lead by a Senior Vice President and Executive Vice President respectively. Likewise, oversight of Health Sciences and Services is no longer part of the Provost's portfolio but has a dedicated Senior Vice President. Finally,

leadership of the Human Resources function was elevated from an Associate Vice President position to a Vice President position.

Some other major additions to University leadership prompted by compensation concerns were in place at the time of the last visit nearly two years ago. Those include the hiring of a Senior Vice President/Chief Compliance and Audit Officer, a Secretary and Chief of Staff to the Regents, as well as a new Executive Vice President for Business Operations. The latter positions expanded responsibilities of previous posts--the Secretary to the Regents and Senior Vice President for Business and Finance, respectively.

As discussed in greater detail below, the reforms collectively resulted in a streamlined system office that operates with greater efficiency and enjoys renewed confidence from members of the Board of Regents. In addition to improved functioning, restructuring has produced significant savings and reduced the number of staff positions at the Office of the President. As of May 2009, changes at UCOP over the previous two year period yielded \$62.2 million in savings and reduced staff by more than 30 % to roughly 1,400 fulltime equivalent (FTE) employees (*Appendix 5, attachment p.1*).

There have been a number of changes in campus leadership positions as well. Six of the ten UC campuses have Chancellors newly inaugurated or appointed since the Special Visit in October 2007: Davis, UCLA, Merced, Riverside, UCSF, and Santa Cruz. At this juncture, three Chancellors (Berkeley, Irvine and San Diego) have served 3-5 years. Chancellor Henry Yang is the longest-serving campus chief executive in the system having filled that post at UC Santa Barbara since 1995.

Deep cuts in state funding represent another critical change for UC since the first WASC review. Fiscal issues are discussed in Section V as part of new challenges facing UC.

II. Response to Governance Issues Identified by the Commission

In the spring of 2007, well prior to the WASC Special Visit, the Board of Regents and the President jointly began an assessment of the organization and operations of the University's finance and administrative functions. The initial diagnostic phase of the review was performed by the Monitor Group, an outside consultant, and revealed a lack of clarity about the mission of UCOP and confusion regarding the appropriate role of the Board of Regents. The Board had taken steps necessary to exercise its fiduciary duties in a time of crisis, but in doing so had raised questions about the role of the Board, the President and the Office of the President. The Monitor report also found significant dissatisfaction with UCOP's performance in certain areas as well as concerns about its role in areas where it was perceived to add limited value.

To address the issues identified by the Monitor Group, the former Provost and Executive Vice President Rory Hume convened the Working Group on the Roles of the Office of the President, chaired by UC Davis Chancellor Larry Vanderhoef. The charge to the Working Group was to examine the institutional roles to determine where changes were needed in administrative governance. The Working Group issued its report on January 8, 2008 (*Appendix 6*). The Committee on Governance reviewed and discussed the Working Group Report at its January 16, 2008 meeting (*Appendix 7, p.4*).

WASC identified similar issues in its review. While noting that "...a number of steps have indeed been taken and progress has been made..." and specifically noting the Committee on Governance activities, the Commission's letter of February 26, 2008 identified four areas that warranted continued University attention. As noted above, these areas include strengthening the role of the President, redefining the role of the Board of Regents, and reviewing the operational culture of the Board.. These issues identified in the Commission letter largely mirror the recommendations of the Working Group which, as the letter notes, the Committee on Governance was actively addressing.

As summarized in the minutes of the January 2008 presentation by Chancellor Vanderhoef to the Committee on Governance, the Working Group Report recommended:

"...several organizational design principles, including a preference for a strong President with a lean and well-focused staff; sensitivity to the need to strike a balance between campus autonomy and the interests of the institution as a whole; the assurance that the President, Chancellors, and respective staffs have clear roles and thereby clear mechanisms for accountability; and the establishment of integrated information and risk management systems that not only support good decision-making on the campuses but also in the Office of the President and that help manage risk and promote transparency and accountability."

The leadership of the University has continued to focus its attention in three principal areas: revitalizing the leadership of the University, enhancing the effectiveness of the governance structure, and reconfiguring UCOP to more directly support the role of the President. The efforts are substantial, ongoing, and, to an extent, preceded the arrival of the WASC Special Visit Team.

Strengthening the Role of the President

Following a national search by a selection panel that included faculty, staff, students and alumni and that invited nominations and conferred with the Academic Advisory Committee as well as other constituent groups per Regents' policy, Mark Yudof was appointed the 19th president of the University of California on March 27, 2008.

President Yudof's credentials are well known. He is a proven and experienced leader. Most recently, he served six years as Chancellor of the University of Texas system, one of the few university systems in the country reasonably comparable to the University of California, and served as President of the University of Minnesota for five years before becoming University of Texas Chancellor. He is a fellow of the American Academy of Arts and Sciences, a member of the American Law Institute, a member of the President's Council on Service and Civic Participation, and serves on the Council of Presidents for the Association of Governing Boards (AGB).

President Yudof, with the full cooperation and support of the Board and consistent with the recommendations of the Working Group Report, has strengthened the role of the President. He has, in the words of the Working Group Report, established himself as the academic leader of the institution, the primary external advocate, the chief executive officer and guardian of the public trust.

As noted above, he continued efforts initiated prior to his arrival, significantly reducing the size of the Office of the President and transferring or eliminating functions that did not directly support his role as chief executive for the University. He has redefined the role of UCOP, removing it from the transactional approval role for the campuses and moving to a system, as he described at the September 2008 Regents Retreat, "...where the campuses are held accountable, appropriate review levels are established, and random audits and compliance reviews are increased." He has reviewed Office of the President and campus budgets in detail and moved to solidify the University's organizational and financial structures, making key additions to his staff to address areas of concern.

In the view of Board, the appointment of a strong president in Mark Yudof is the single most important action taken to restore the effectiveness of the governance structure of the University. During the search for an effective president, the Board necessarily assumed a more active management role to exercise its fiduciary responsibility and to address the problems identified in its review of executive compensation practices. The University had been reviewing the failures for the past two years -- both internally and with the assistance of numerous outside experts, including state legislative leaders, state auditors, corporate external auditors, higher education leaders and others. With Mark Yudof's appointment, the University has the leadership to restore the respective roles of the Board and the President.

Prior to that appointment, the Board created four new positions and hired a new General Counsel. The new positions were established as part of a management restructuring of the systemwide Office of the President to strengthen the governance and oversight function of the Board and ensure the success of the incoming President. Although several of the positions were

filled prior to the Commission's February 2008 letter, the effectiveness of the management restructuring is increasingly apparent.

- In May 2007, the Regents appointed Executive Vice President for Business Operations Katherine Lapp. The position, which includes an expansion of duties of the former position of Senior Vice President for Business and Finance, is responsible for leading improvements in the effectiveness and accountability of the University's many administrative support operations. The position has been particularly critical over the last two years and, with the arrival of President Yudof, EVP Lapp has been instrumental in carrying forward his initiatives to restructure UCOP. EVP Lapp recently announced that she will leave the University in early September to assume a similar post at Harvard. An interim appointment for her successor will be announced soon.
- In March 2009, the Regents appointed Executive Vice President and Chief Financial Officer Peter Taylor. Reporting directly to the President, EVP Taylor is responsible for overseeing all aspects of financial management for the University. UC has never had a formal CFO position; creation of the position assures leadership of expert financial management of the institution.
- In September 2007, the Regents appointed Senior Vice President - Chief Compliance and Audit Officer, Sheryl Vacca. This new position, a direct report to both the President and the Board, is a key component of the Board's establishment of mechanisms to ensure compliance with statute, state and federal regulations, and University policies and procedures.
- In March 2007, the Regents appointed Secretary and Chief of Staff Diane Griffiths. Under the new structure adopted by the Board, the new position oversees two management areas, covering the traditional duties of planning and coordinating Regents' meetings performed by her predecessor, as well as new duties facilitating the work of the Board and its members in furtherance of their fiduciary duties.
- The Regents also hired a successor to fill a key existing position, that of the retiring General Counsel of nearly twenty years. In November 2006, the Board appointed Charles Robinson as Vice President for Legal Affairs and General Counsel. Reporting jointly to the President and to the Regents, the General Counsel manages attorneys handling a broad and complex range of legal affairs.

In terms of administrative oversight, President Yudof has instituted new practices to improve University management. Each campus Chancellor and systemwide Vice President is required to submit a work plan at the beginning of the academic year and to provide an end-of-the-year accomplishment report. All direct reports have an in-person performance review with the President. President Yudof also has introduced a project tracking system to ensure assignments from him are carried out in a timely fashion. This project is under the direction of Deputy Chief of Staff Deanna Dudley

Redefining the Role of the Board of Regents

The Committee on Governance was created in November 2006, to address, in large measure, issues at the interface between the UC Office of the President and the Regents. The Committee on Governance has served as the catalyst for a number of best practices initiatives undertaken by the Board to respond to issues identified in both the Working Group Report and the Commission's February 2008 letter.

In March 2008, the "Statement of Expectations of the Members of the Board of Regents," the primary standard by which Regental exercise of fiduciary performance is measured, was substantially amended (*Appendix 8*). The amendments, consistent with best practices recommended by AGB, are as follows:

- A new section on Board responsibilities, setting forth ten clearly defined expectations for Board function drawn from a review of AGB principles.
- New sections on Board members' fiduciary and policy responsibilities, explicitly stating that "...the responsibility of the Board is to set policy and the responsibility of the University administration to implement and carry out policy, which includes responsibility for the day-to-day operations of the University."
- Clarification that Board members will act on behalf of the best interests of the University as a public trust rather than the interests of a particular constituency.
- Restatement of the duty to respect the opinions of others in the University community; emphasizing the "Policy on the President as Spokesperson for the University" and explicitly stating that, "...the President shall be the spokesperson for the University with the Chairman of the Board being the spokesperson for the Board."
- Clarification that Board members are welcome to attend meetings of committees to which they are not assigned but that attendance is not required and encouraging members to participate in other University events at which Board member participation is appropriate.

These amendments, which implement governing board best practices and the recommendations of the Working Group Report, were discussed and unanimously adopted by the Committee on Governance on February 4, 2008. They were unanimously adopted by the full Board at the March 2008 meeting.

The Committee on Governance has also focused attention on ensuring that mechanisms exist to provide the Regents with timely and complete information regarding University operations. The Schedule of Reports, the official list of reports required by the Regents, has been amended twice in the past year, November 2008 and July 2009 (*Appendix 9*). The amendments include new accountability reports initiated by President Yudof to ensure both that the Board and the public are provided sufficient data to assess the performance of the University, the codification of existing Board requests for reports which were never memorialized and, in some cases, never delivered, and clarification of delivery dates and style of presentation (in person or as a mailing

between meetings). The focus on the Schedule of Reports ensures the Board is receiving the information necessary to make informed decisions and set priorities, leaving executive management to the President.

Reviewing the Operational Culture of the Board

Also in March 2008, the Regents adopted the "Policy on Board Education and Assessment" (*Appendix 10*). The policy provides for various elements of training and orientation. Although the Board routinely performed some of these elements previously, adoption of the policy codified and formalized the practice.

The policy has resulted in the following:

- A two-part, mandatory orientation program is provided to all new Regents and faculty representatives to the Board. (A separate voluntary session is also offered regarding investments issues.) The orientation sessions are co-chaired by a Regent and the President. The first day typically consists of a discussion of the roles of the President and the Regents presented by the Co-Chairs, an overview of the University presented by the Provost, a discussion of shared governance presented by the Chair of the Academic Council, fiduciary and legal responsibilities of Board members presented by the General Counsel, Board structure and duties presented by the Secretary and Chief of Staff to The Regents, and the University's budget presented by the Executive Vice President for Business Operations. The second day consists of an overview of Compliance as well as specialized University programs in Research, Agriculture and Natural Resources, and Health Sciences and Services. These briefings are led by the Vice President responsible for each of the respective areas. The remainder of the second session covers current key topics before the Board. The first day of this year's orientation was held July 24, 2009; the second day of the two-day session is scheduled for September 17, 2009. Two sessions also were held in 2008.
- Each new appointed Regent is assigned a continuing Regent to serve as a mentor and assist as needed. (The non-appointed Regents and faculty representatives serve terms staggered to provide for a natural mentoring structure.)
- The most recent Board retreat was held in September 2008 at the UC Davis Tahoe Environmental Research Center. This two-day retreat focused on governance and planning issues and was attended by the top level of UC management and a large majority of Regents. Presentations included a review of strategic challenges for the future, institutional accountability and performance, University funding models, a proposal for a new financial aid program, and closed with a session on governance roles and on Board structure, effectiveness and process. The next retreat is scheduled for September 15, 2009. At the time of this report, the agenda has not been finalized.

With the arrival of President Yudof, the overall tone and efficiency of Board meetings has been greatly improved. The President and Board Chair confer on the Regents' agenda. In addition, several procedural changes have been instituted to increase the effectiveness of Board meetings.

Each Chancellor presents a strategic vision for his or her campus once every two years and Chancellors are seated at the Board table for meetings of the Committee on Educational Policy. Committees have begun to meet concurrently rather than the traditional practice of convening one after another in front of the full Board. Also, certain committees, which have traditionally met “off-cycle” (i.e., at a time completely separate from the Board gathering) have begun to meet at least some of the time on-cycle in conjunction with the Board meeting.

In addition to creating the Committee on Governance and the Committee on Compensation, the first two new standing committees in many years, the Board has established two additional committees to address specific needs. A new standing committee, the Long Range Planning Committee, has enabled the Board to focus in a systematic manner on accountability and strategic planning, and the Special Committee on Student Life and Alumni Affairs, initially convened for a period of two years, will focus its attention, as its name implies, on student and alumni issues.

III. Continuing Efforts to Address Compensation Issues

The University has continued work on the trajectory set out in 2006 with respect to reform of compensation policy and practice. Specific actions were taken in response to recommendations of the Task Force on UC Compensation, Accountability and Transparency as well as the various audits conducted--UC Internal Audit, Bureau of State Audits and PricewaterhouseCoopers. Both the Task Force findings (*Appendix 11*) and a comprehensive listing of actions responding to those findings (*Appendix 12*) are provided for reference. The latter contains a range of items implemented to remedy identified concerns, including those in place or underway prior to the first Special Visit. To focus on steps taken since that time, major ongoing activities and important new endeavors are highlighted below.

Progress on Compensation Policy Review

More than three years ago, UC committed to perform a comprehensive review of compensation policies for the Senior Management Group (SMG). The Senior Vice President and Chief Compliance and Audit Officer and the Office of Ethics, Compliance and Audit Services are integral to this policy review process. Ongoing reviews and revisions aim to incorporate more rigorous standards as well as clearer definitions of responsibility, monitoring, compliance and transparency.

The Regents approved several new and revised policies between July 2008 and February 2009. These policies are now in force. Web links to each of the above are provided in *Appendix 13*.

- SMG Salary and Appointment
- SMG Hiring Bonus
- SMG Relocation Allowance
- SMG Moving Reimbursement
- SMG Automobile Allowance
- SMG Performance Management
- University-Provided Housing
- Interim Policy on Compensated Outside Professional Activities
- Settlement of Litigation, Claims and Separation Agreements
- Reemployment of Retired Employees

Policies in the six remaining areas--most of which are nearly complete--are under final review and expected to be implemented later this fiscal year:

- SMG Cash Recognition and Incentive Awards
- Outside Professional Activities (final consolidated policy)
- Migrating Deans from SMG to Academic Personnel Policies
- Transitional Leave (paid administrative leave in lieu of sabbatical)
- Absence from Work
- Certain sections of Regents' Standing Orders and By-Laws (clarify/update)

Compensation-related policies governing the Senior Management Group are scheduled for regular, ongoing reviews to ensure that they reflect appropriate market-prevalent practices, reflect any changes in regulations or laws, and appropriately support the business needs of the University.

Development of the Human Resources Information System (HRIS)

One significant finding of the Task Force recommended that the University invest in a “modern, comprehensive, integrated human-resources information system” to enable quick, thorough, reliable examination and analysis of compensation data. In response to this recommendation, UC implemented measures to capture detailed data on senior management compensation. The data is used in the annual executive compensation report and in bi-monthly transaction monitoring reports presented at each Regents meeting. This phase became operational in December 2006.

That same year, UC commissioned Deloitte to conduct an assessment of systemwide HRIS needs and cost. Although certain locations (Berkeley, UC Davis Medical Center and Lawrence Berkeley National Laboratory) have 'stand-alone' HR information systems, the consultants examined requirements for an enterprise-wide solution. Their study indicated that purchase and implementation of a University-wide system would require a significant resource commitment. Given current fiscal constraints, this project has been postponed until a later date.

The University, however, already initiated a project to design and implement a new payroll system which will provide the foundation for future development of HRIS. The existing UC payroll systems require overhaul, and a new structure can anticipate the need to integrate with a larger human resources system over time. The Personnel Payroll System (PPS) project aims to improve access to more robust and higher quality systemwide data through use of standardized pay codes and other strategies. Still in the early stages, the PPS project includes two distinct initiatives:

- Data Enterprise System - The Office of Institutional Research and the Office of Information Resources and Communications at UCOP are partnering to develop an integrated data enterprise system to support decision making at UCOP and on the campuses. The Decision Support System (DSS) will make it possible to integrate data from across the University as well as to incorporate data from external sources. Once implemented, it will provide authorized users in the UC community with direct access to data from many of the University's major administrative systems.
- Replacement of the Personnel Payroll System - A workgroup comprised of campus and UCOP leadership will begin work in September to review options to establish a new PPS with the intention of creating a 'single instance' system to pay all UC and affiliate employees. A white paper provides an assessment of current circumstances, identifies key issues, and establishes guiding principles. Ultimately, implementation of the new PPS will provide much better controls (e.g., data entry edits) to improve data consistency, better support systemwide compliance and monitoring, increase efficiency, and reduce operational costs.

Compensation Reporting and Public Disclosure

Reforms instituted following the Task Force and audit reports included a series of new reporting requirements. As part of this effort, the Board of Regents defined components of “total compensation,” approved a template for compensation reporting, and adopted new disclosure standards for public posting of compensation details prior to Board action and after approval.

Chief among the regular reports now issued is the *Annual Report on Executive Compensation* ([Appendix 14](#)). It captures all elements of total compensation including cash payments (base salary, bonuses/incentives, stipends, other) and non-cash components (moving costs, auto allowance, housing allowance, UC provided housing, UC provided home mortgage, SMG regular and supplemental benefits, severance benefits, and additional post-retirement benefits). The report undergoes a series of checks to ensure quality and completeness of the information being reported, including individual certifications and local audits. The 2008 report includes information on 528 employees, capturing all SMG members and any senior staff--including coaches and athletic directors--whose annual total cash compensation exceeded \$214,000. A detailed *Addendum to the Annual Report on Executive Compensation* provides specific contextual details and explanatory or clarifying notes. These reports and another that provides details on total annual gross pay for all UC employees are available to the public through the University’s compensation website ([Appendix 15](#)).

The University also produces an *Annual Report on Compensated Outside Professional Activities*. Information for this report is collected by each campus for each SMG member and includes specific details on board service, advisory services, and other engagements by SMG members that resulted in them receiving cash or non-cash compensation ([Appendix 16](#)).

The population of UC leaders whose compensation is subject to Regental review and approval was established by the Board in 2006 and is reviewed and adjusted annually. Currently, the Board reviews compensation-related actions for approximately 350 SMG members. Most actions occur at Regents’ meetings but items approved in the interim are reported at the subsequent Board meeting. Approval of certain actions affecting staff below the SMG level is delegated to the Chancellors, the Laboratory Directors, and the President. Actions for members of this group whose annual cash compensation exceeds \$214,000 also are reported at each Regents’ meeting. They are available to the public through the University’s compensation website as are interim items and SMG actions. Copies of the most recent items reported from the July 2009 Board meeting, which include several items held over from May, are provided for reference ([Appendix 17](#)).

Finally, each year through 2010-11, state law requires UC to submit a report to the Joint Legislative Budget Committee, the legislative fiscal subcommittees, and the Department of Finance. This report describes progress made in reforming compensation policies and practices consistent with recommendations from the Task Force on UC Compensation, Accountability and Transparency as well as the three audits. The most recent report was submitted in February 2009 ([Appendix 18](#)).

Regents Convene New Task Force

The Chair of the Board of Regents again convened a Task Force on UC Compensation, Accountability and Transparency to assess progress on various recommendations put forward in the report from April 2006. While Regents have received information on the areas noted above and other activities implemented in response to Task Force recommendations, this effort provides a dedicated opportunity to review compensation and related reforms as a whole. Membership on the new group is the same as the original with the exception of the individuals serving for the Regents' Compensation Committee and the Academic Senate (*Appendix 19*). The Task Force met on August 13, 2009, to review accomplishments to date and comment on the University's progress.. The Task Force agreed that further meetings are not required; its report is pending. In addition to the summary of actions provided in Appendix 12, a briefing paper was prepared for this meeting (*Appendix 20*). It notes the purpose and background of the group as well as a compensation progress report.

IV. Summary of Activities Related to Recommendations in 2007 Special Visit Team Report

Embedded in the reforms described above are several activities undertaken by the University that relate directly to recommendations from the 2007 Special Visit Team Report. These reforms have been presented under the broad categories of issues cited in the Commission Action Letter but they also apply to improvements called for in the Team Report. To summarize progress in addressing report recommendations, the following chart highlights University progress in addressing each of the five recommendations directed at UC.

Summary of UC Activities Related to Recommendations in October 2007 WASC Special Visit Team Report

REPORT RECOMMENDATION	RELATED UC ACTIVITIES
<p>(1) UC should build comprehensive processes and procedures to assure that policies adopted at any level within the organization are preserved and understood by the persons responsible to implement them. These policies and procedures should be readily available internally and to the public.</p>	<ul style="list-style-type: none"> • annual reports on compliance, internal audit plans, internal audit activities, and external audits • ongoing comprehensive policy review with requirements for routine re-examination and updating of policies • schedule of reports to Regents and availability of reports through UC news releases and UCOP websites
<p>(2) The Regents should continue building the effectiveness of their operations by such means as the Governance Committee already created as a response to the compensation crisis, a strong and properly staffed Audit Committee supported by state-of-the-art financial accounting and control systems throughout UC, and a coherent system for verifying regulatory compliance.</p>	<ul style="list-style-type: none"> • appointed Senior Vice President - Chief Compliance and Audit Officer and created Office of Ethics, Compliance and Audit Services • appointed Executive Vice President and Chief Financial Officer to oversee accounting and financial controls, risk management, strategic sourcing, tax compliance, payroll coordination, and long-range financial planning • expanded responsibilities for Executive Vice President for Business Operations as well as Secretary and Chief of Staff to the Regents
<p>(3) The Regents and the UCOP should develop procedures that allow for timely appointments of senior officers consistent with the competitive marketplace for institutions of UC's quality.</p>	<ul style="list-style-type: none"> • regular review of SMG compensation policies to ensure reflection of appropriate market-prevalent practices • established population of SMG & other senior staff whose compensation requires Regental review and approval; review and adjust annually • delegated to Chancellors, Laboratory Directors and President approval of certain non-SMG actions; each Regents meeting report actions for non-SMG staff whose cash compensation exceeds \$214,000
<p>(4) As they seek a new President, the Regents should devote significant time and thought to develop a document that clearly defines the roles, responsibilities, expectations of the President – along with the roles, responsibilities, and expectations of the Board of Regents.</p>	<ul style="list-style-type: none"> • Report of the Working Group on the Roles of the Office of the President (January 2008) • Statement of Expectations of the Members of the Board of Regents (amended March 2008) • Policy on Board Education and Assessment (amended July 2008)
<p>(5) The Office of the President should develop protocols to support the campuses and especially campus leaders in timely manner during periods of turmoil, and seek closer alignment with Chancellors on all matters of common concern. It should advocate, build, and maintain effective central systems for common functions, including personnel management and finance.</p>	<ul style="list-style-type: none"> • monthly Council of Chancellors and Executive Vice Chancellors meetings • Regents' presentation once every two years on each campus strategic vision • Chancellors join Board table for Regents Education Policy Committee • campus input on revisions contemplated for annual allocation of funds • work proceeding on University-wide personnel payroll system as part of long-term project for Human Resources Information System

V. New Challenges Facing the University

The single biggest challenge facing the University is the decline in state support. Adjusted for inflation, state spending per student at UC has fallen by 40% since 1990. Continuing this long-term trend, precipitous state budget cuts for fiscal years 2008-09 and 2009-10 total \$813 million. In addition to these reductions, the University faces a further gap of \$335 million over the two-year period from increased costs the state has not covered (enrollment increases, health benefit costs, faculty merits, utility costs, retirement contributions, etc.).

Over the past few months, members of the Board of Regents approved several measures to address the current fiscal imperatives. In July the Board approved a furlough/salary reduction plan should yield savings to cover about 25% of the cuts. Fee increases approved in May should cover another 25%. The balance of the shortfall, along with the above-mentioned unfunded cost increases, will be absorbed through cuts to UC programs. Campuses have received cuts for the current year, and are providing input to UCOP on potential revisions to the existing method of fund allocation.

Concern over the effects of steady erosion of state resources prompted Board Chair Russ Gould to launch the UC Commission on the Future. Co-Chaired by Regent Gould and President Yudof, the Commission aims to establish a long-term vision for UC that ensures excellence and access in the future while simultaneously addressing acute financial challenges. Working groups will engage the entire UC community on several key questions:

- How can UC best meet the needs of California and at the same time maintain access, quality and affordability in a time of diminishing resources?
- What educational delivery models will both maintain quality and improve efficiency for the University's future?
- What is the appropriate size and shape of the University going forward?
- How can UC maximize traditional and alternative revenue streams to support its mission?

Among those appointed to serve on the Commission are:

- UC Regents Jesse Bernal, Sherry Lansing, Monica Lozano and Yolanda Nunn Gorman as well as Student Regent-designate Jesse Cheng
- UCLA Chancellor Gene Block; UC Irvine Chancellor Michael Drake; UC Santa Barbara Chancellor Henry Yang; and UC Berkeley School of Law Dean Chris Edley;
- Academic Senate Chair Mary Croughan; Academic Senate Vice Chair Henry Powell;
- UC Regents Staff Advisor Edward Abeyta; UC Berkeley alumnus Warren Hellman, California Chamber of Commerce President Allan Zaremberg, and California Labor Federation Executive Secretary-Treasurer Art Pulaski (AFL-CIO).
- Ex officio members from the UC Office of the President include Interim Provost Larry Pitts, Executive Vice President Katie Lapp and Executive Vice President Peter Taylor

Chair Gould has asked the Commission to provide recommendations early next year.

VI. Conclusion

The structural changes UC has made over the past three years in response to recommendations from the Task Force and audits position the institution to more effectively grapple with questions about its future direction and new funding models. As noted, several of the reforms reported here were underway at the time of the initial Special Visit. Since October of 2007, the Board of Regents has continued to shepherd changes consistent with its governing role and, since June of 2008, President Yudof has pursued improvements in University management consistent with his role as the chief executive.

Moreover, the actions taken by the Board and the President that brought the University to its current state directly address the concerns articulated by WASC more than a year ago. These efforts also are responsive to the recommendations put forth in the Special Visit Team Report from October 2007.

The cumulative effect of UCOP restructuring, enhancements to the operation of the Board of Regents, and clarification of governance and management roles has resulted in significant organizational change. This change has yielded institutional policies and practices entirely consistent with the Commission's accrediting standards--in particular the subset of standards at issue in the first Special Visit (*Appendix 21*). Reforms have strengthened systemwide leadership at UC by mandating high performance, appropriate assignment of responsibility, accountability at all levels and transparency to the public. Policy reviews, business improvements, and ongoing evaluation in all areas have reinforced the integrity of University operations and have begun to restore confidence in decision-making at the system level. The Board of Regents is exercising appropriate oversight in governing the system, leaving the President and other leaders to manage the wide range of endeavors that constitute the UC enterprise.

Most importantly, these changes are not one-time reforms of select areas that will subsequently remain static but reflect a broad transformation of University governance and management frameworks. This transformation provides the foundation of strong leadership required for accreditation of each University campus and will afford the discipline, flexibility, cooperation and candor to meet the many significant challenges ahead.

VII. Appendices

1. WASC Commission Action Letter to President Dynes -- February 26, 2008
2. Report of the WASC Special Visit Team -- October 23 - October 24, 2007
3. Revised Fiscal Year 2008-09 Budget for the Office of the President and Update on Ongoing Restructuring Initiative -- Regents' Item, November 19, 2008
4. UC Office of the President organizational charts -- July 2009 and February 2008
5. Approval of Fiscal Year 2009-10 Budget for the Office of the President -- Regents' Item, May 7, 2009
6. Report of the Working Group on the Roles of the Office of the President -- Governance Committee of the Board of Regents, January 8, 2008
7. Minutes of the Regents' Committee on Governance -- January 16, 2008
8. Statement of Expectations of the Members of the Board of Regents -- as amended March 20, 2008
9. Schedule of Reports to the Regents -- July 2009
10. Policy on Board Education and Assessment -- as amended July 17, 2008
11. Task Force on UC Compensation, Accountability and Transparency -- Report, April 2006
12. Task Force on UC Compensation, Accountability and Transparency -- Status of Implementing Regents' Approved Actions (August 2009)
13. Web links to New and Recently Revised Policies for UC Senior Management Group
14. Annual Report on Executive Compensation for Calendar Year 2008 -- Regents' Item, May 7, 2009
15. Report on 2008 Employee Payroll -- May 2009
16. Annual Report on Compensated Outside Professional Activities for Calendar Year 2008 -- Regents' Item, March 19, 2009
17. Compensation-related actions reported at the July 2009 Regents meeting, including interim actions, closed session items, bi-monthly tracking reports, and delegated actions
18. Report on Compensation Policies and Practices -- 2009-09 Legislative Session

19. Roster of Task Force on UC Compensation, Accountability and Transparency
20. Follow-up Report to the Task Force on UC Compensation, Accountability and Transparency
-- August 13, 2009
21. WASC Standards and Criteria for Review Relevant to Compensation Audit and Task Force Findings -- revised 2008



February 26, 2008

Robert C. Dynes
President
University of California
1111 Franklin Street
Oakland, CA 94607

Dear President Dynes:

At its meeting February 20-22, 2008, the Commission considered the report of the Special Visit team that conducted its visit to the Office of the President October 23-24, 2007. The Commission also had available to it the materials prepared by the University for this visit, and your cover letter and attachments in response to the team report, dated January 28, 2008. The Commission appreciated the opportunity to discuss the report with you and Chief Operating Officer Rory Hume prior to its meeting, and with Dr. Hume and Regent and Vice Chair Russell Gould at the meeting. The interchanges were very helpful to understanding the issues raised in the materials and the steps taken by the University since the visit.

This special visit was requested by the Commission in my letter to you of December 7, 2006. At that time, the Commission had reviewed several audit reports and press accounts regarding compensation issues, governance and decision making at the University. As stated in my letter, while the Commission does not accredit the Office of the President or the Board of Regents independently, each campus of the University accredited by WASC is affected by system-level actions and the governance system implemented by the Board of Regents. The compliance of the University with WASC Standards for governance and decision making at the system- or University-wide level has been presumed, but not verified in any systematic way previously. These reports called into question that presumption. At that time, the Commission identified two Commission Standards relevant to the special visit: Standard 1, dealing with institutional integrity and accountability, and Standard 3, dealing with financial controls, board governance and the exercise of its fiduciary responsibilities, and decision making between the Office of the President, the Board of Regents and the campuses. In addition, the Commission and the Special Visit team identified a number of Criteria for Review under Standards 1 and 3 at issue: CFRs 1.3, 1.8, 3.8, 3.9 and 3.10.

985 Atlantic Avenue, Suite 100
Alameda, CA 94501
PHONE: 510.748.9001
FAX: 510.748.9797
E-MAIL: wascsr@wascsenior.org
INTERNET: www.wascweb.org

APPENDIX 1

CHAIR
Sherwood Lingenfelter
Fuller Theological Seminary

VICE CHAIR
Horace Mitchell
California State University, Bakersfield

Mark Bookman
American Jewish University

W. Bernard Bowler
Public Member

Jerry Dean Campbell
Claremont School of Theology

Anna DiStefano
Fielding Graduate University

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Laurence Gould
Public Member

Brice Harris
*Community and Junior Colleges
Commission Representative*

Linda Johnsrud
University of Hawaii

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Keck Graduate Institute

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Mount St. Mary's College

Carmen Sigler
San Jose State University

Larry Vanderhoef
University of California, Davis

Mary (Sue) Wesselkamper
Chaminade University of Honolulu

Michael Whyte
Asia Pacific Institute

Paul Zingg
California State University, Chico

STAFF
Ralph A. Wolff
President and Executive Director

Therese A. Cannon
Executive Associate Director

Richard A. Winn
Associate Director

Barbara Wright
Associate Director

Michelle Behr
Assistant Director

Ingrid Walker
Assistant Director

Shana Antoine
Finance & Operations Manager

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The Special Visit team was able to interview a wide range of people within the board and the Office of the President, as well as the campus Chancellors. These interviews, and the review of the documentation prepared by the University, provided a range of perspectives on the issues of governance and decision making. The Commission appreciates the openness of all who participated in the process to discuss the background to the audit reports, and the additional studies and steps underway to address the many concerns raised by these reports. At the same time, the January 18, 2008 letter from the Regents took issue with a number of the team's findings, expressing concern that the team report did not recognize a number of steps that were taken before the team visit. The University's response also provided new information about actions that have come to fruition after the visit relating to the concerns raised by the Special Visit team.

In reviewing both the team report and the University's response, the Commission found that on nearly all major points, there was less disagreement over the issues or concerns raised, but rather a concern by the University that the team report failed to identify a number of detailed actions already taken by the Regents or the Office of the President. In this respect, the University appears to be advancing the position that the concerns or issues have been addressed and resolved by the steps already taken by the University or Board of Regents.

The Commission was able to discuss these issues with both representatives of the University and the team chair, and determined that a number of steps have indeed been taken and progress has been made since the visit, especially with the completion of the report of the Working Group on the Roles of the Office of the President. However, significant issues remain to be addressed under Commission Standards. Indeed, the Commission would distinguish between the structural responses undertaken, which are many, and the need for a shift in operational behavior, which the team did not find yet in evidence. Such a shift would bring the conduct of the University's governance and decision making systems into closer alignment with Commission Standards, best practices, and the University's own stated intentions identified in its January 18th response.

There was general agreement by all at the time of the visit that the University's governance and decision making systems did not meet WASC Standards with respect to compensation issues. As stated by the team, these issues have been vigorously addressed, and the actions taken, while not complete, have resolved most of the issues relating to noncompliance with WASC Standards. At the same time, notwithstanding the significant responses of the University to compensation issues, "it soon became clear that other significant issues were also present in UC's governance, leadership, and decision-making process that are relevant to WASC's standards. Both the team report and the University's response address the same larger issues, but the team went on to note that,

[S]ome of these issues are not widely recognized by the Board of Regents but are of sufficient significance to warrant attention, reflection and action. At the present time, these issues seem fundamental to effective governance and decision making, especially at a time when the University's leadership is in transition.

While acknowledging the many actions taken and underway, and especially the activities of the Board's Governance Committee, the Commission ultimately concurs in this finding. The Commission found that a number of useful recommendations were provided by the team, which could lead to improvement in the functioning of the University's governance and decision-making systems. The Commission endorsed the team's findings and recommendations, and urged that they be discussed by the Board of Regents and the Office of the President, and incorporated into the activities underway. The Commission also highlighted several issues for University attention:

Strengthening the role of the President. Perhaps the most fundamental of the issues now facing the University is clarifying and strengthening the role of the University President. The Commission found the January 8, 2008 "Report of the Working Group on the Roles of the Office of the President" to be a useful document. While this group was meeting at the time of the visit, its report was not available to the Special Visit team. It highlights several critical issues, which the Commission finds in accord with the recommendations of the team report, Commission Standards and best practice in university governance. The Commission understands that this report has been discussed and adopted by the Governance Committee and the Board. It sets forth the goal of restoring confidence in the Office of the President and investing the president with the *primary* responsibility for managing and leading the University. As stated by the report, the president "should be the authoritative sole official channel of communication between the Board of Regents and the administrative structure of the university." Based on the findings of the Special Visit team, and implicit in the Working Group report, this goal is necessary but has yet to be achieved. It will be important for the role of the president to be firmly established, as well described in the Working Group report, in order for the University to recruit and maintain the kind of executive leadership that it needs to lead such a world-class system of campuses.

Redefining the role of the Board of Regents. Both the team report and the University's response reflect an awareness that the Board has vigorously responded to the many concerns raised by various audits and studies, and has moved into an operational role in many cases. The University's response acknowledges the need for the Board to return to a more policy-setting oversight role, and again the Working Group report sets forth the well-established role of governing boards as providing "fiduciary oversight and broad policy determination." The University's response identifies a number of new positions within the Office of the President, established by the Board and the President, to oversee compliance, and indicates that the Board's committee structure is now positioned to work with the Office of the President to oversee compliance with University policies. Having necessarily stepped into the operational role, it will now require discipline and periodic self-assessment for the Board to be assured that it is supporting the primary role of the President and operating within its fiduciary and policy framework. This shift will be critical to the success of any new President.

The Special Visit team recommended that a formal agreement be reached between the Board and any new President specifying roles, responsibilities and expectations for the President and the Board. This would be a possible way to implement and operationalize the recommendations of the Working Group.

The Working Group report also suggested patterns of conduct in the relations between the Board, the Office of the President and the campuses. These recommendations seem appropriate for ensuring consistent communication and decision-making processes, and the Commission urged that the success of maintaining such practices should entail periodic monitoring.

The Commission also noted that the Chief of Staff role to the Board is new, and therefore the relationship of this position to the Office of the President is being worked out operationally. The Commission urged that while the new role is important to support the Board with its many responsibilities, it should also be subsidiary to the President in terms of setting the agenda for the Board, and not compromise or undermine the role of the President.

Reviewing the “operational culture” of the Board. The team report highlights a number of areas where the pattern of behavior of the Board has become problematic. The Commission considers these issues to be fundamental areas for Board attention. Foremost of these is establishing protocols or operating procedures for Chair and Regental conduct and decision making. For many years, there appears to have been the practice for the Chair, as well as individual Regents, to speak with apparent authority on issues without formal or collective Board discussion and action. That boards act through collective action is a basic tenet of good board governance and an expectation of the Standards of Accreditation. As stated by the team, “It will be important for the Board to establish clear principles defining to whom and under what circumstances individual Board members are authorized to speak on behalf of the Board, especially absent formal Board action.”

The Commission was also concerned about the need for the Board to assess periodically its own performance, especially in light of the roles clarification established by the Working Group, and to assess the effectiveness of Board orientation and ongoing training of its members. One aspect of this self-assessment should include comments from the senior leadership of the University, including the President, Provost, Chancellors and the Academic Council. The Commission understands that efforts are underway to address this concern by working with a program sponsored by UCLA. The Commission further encourages the Board to deliberately engage Regents in meetings with other system and university board members, through the Association of Governing Boards or other national organizations, to assist in broadening the understanding of the Board of its functions and roles as the governing body of a public higher education system. The Commission would also welcome participation of the Regents and University System leadership in WASC events.

The Commission also was concerned about reports of the Board’s treatment of its own staff and administrators, reported as occasional incivility. Again, it is a fundamental role of a governing board to work collaboratively with its own staff and administration, and faculty, and to set into motion appropriate evaluation systems for key reports. With such systems, it is the responsibility of the board to develop key performance goals and objectives, and support its staff in achieving them. The Commission understands that a new system of evaluation of key reports is being set into place and hopes that there will be an opportunity, through the Working Group report and the continuing work of the Mercer Group, to address these issues.

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Continuing efforts to address compensation practices. The University has developed and implemented new policies and systems to address concerns raised in its review of compensation practices. Given the need of the University to continue to attract and retain the best talent at each of its campuses, it will be important for decisions to be made in a timely manner, and in keeping with the highly competitive market in which the University competes. The Commission commends the University for the many steps it has taken to address these issues, and for its awareness of the need to maintain transparency and conformity with policies while continuing to recruit the best personnel possible. Key to these efforts will be moving toward more effective data and reporting systems, and the University has taken steps to address this vital need.

As the University moves to select a new President, it will be important to continue to make progress on each of these issues. It is the responsibility of the Board to create and sustain the conditions for the success of its key leaders, while setting priorities and evaluating their performance. The Board and the Office of the President have each undergone considerable strain in the past several years as a result of the issues arising from compensation practices, and there have been internal and external attacks on each as these issues have been addressed.

The Commission supports the University's conclusions that significant efforts to address these challenges have been made, and that much progress has been achieved. The report of the Working Group appears to have set a framework for clarifying roles and restoring balance in the functions of these vital elements of University governance and decision making. For further progress to be made, changes in operational conduct and behavior are needed, which will enable the University to achieve the promise of these efforts.

The Commission, as did the team, finds that these issues are matters of serious concern under Commission Standards. The progress made to date will need to be sustained and institutionalized. The Commission urges the Office of the President and the Board of Regents to address these concerns and recognize them as additive and complementary to the steps underway.

The Commission acted to:

1. Receive the report of the Special Visit team.
2. Request a Special Visit in spring 2009 to assess the progress made in addressing the issues raised in this letter and the five recommendations made in the team report addressed to UC.
3. Request also a meeting with the new President of the University within 60 days of her or his appointment, to review the issues to be addressed as part of the follow-up special visit.

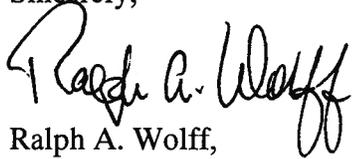
In accordance with Commission policy, a copy of this letter will be sent to the chair of the Board of Regents in one week. The Commission expects that the team report and this action letter will

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be widely disseminated throughout the institution to promote further engagement and improvement, and to support the institution's response to the specific issues identified in them.

Please contact me if you have any questions about this letter or the action of the Commission.

Sincerely,

A handwritten signature in black ink that reads "Ralph A. Wolff". The signature is written in a cursive style with a large initial "R" and a long, sweeping tail on the "f".

Ralph A. Wolff,
President and Executive Director

RW/aa

cc: Sherwood Lingenfelter
Members of the team
Hilary Baxter, ALO

REPORT OF THE WASC SPECIAL VISIT TEAM

**To the University of California Office of the President
and Board of Regents**

October 23 - October 24, 2007

Team Roster

John T. Casteen III (University of Virginia), Chair
Cameron Howell (University of Virginia), Team Writer
William E. Kirwan (University System of Maryland)
Kitty Lagareta (University of Hawaii System)

The evaluation team in conducting its review was able to evaluate the institution according to Commission Standards and Core Commitments and therefore submits this Report to the Accrediting Commission for Senior Colleges and Universities of the Western Association of Schools and Colleges for action and to the institution for consideration.

On October 23-24, 2007, a special committee of the Accrediting Commission for Senior Colleges and Universities of the Western Association of Schools and Colleges (WASC) visited the Office of the President of the University of California (UC) in Oakland. This report provides background information, findings, and recommendations for the UC Board of Regents, for UC's senior executives, and for WASC.

The names and affiliations of the members of the special committee are listed in Appendix A. The special committee expresses its gratitude for the candor and responsiveness of all with whom it met while in Oakland, and also of those who provided information in individual interviews and in conference calls. We are especially grateful to President Robert Dynes, Provost and Executive Vice President Wyatt R. Hume, and staff members in the President's Office for their responsiveness to our many questions; to the Regents who provided context and their perspectives on the issues that we were asked to examine; and to the faculty members, chancellors, former chancellors, and others who provided us with valuable information and commentary.

Hilary A. Baxter, UC's WASC Accreditation Liaison Officer, and Diane M. Griffiths, the Regents' Secretary and Chief of Staff, provided specific and timely assistance, for which we are grateful. Several Regents met with us face-to-face or by telephone. These included Chair Richard C. Blum, Vice-Chair Russell Gould, Judith Hopkinson, Joanne Kozburg, and Sherry L. Lansing. WASC President and Executive Director Ralph A. Wolff advised us before, during, and after the

visit. Each has contributed in some sense to this report, and we are grateful to all.

In addition, Cameron Howell of the President's Office at the University of Virginia provided invaluable staff support throughout this project, including serving as principal drafter of this report. We are much indebted to him.

Background

In 1992, following controversy about executive compensation, the UC Regents adopted policies and procedures to promote fiscal transparency and to prevent abuse. These policies appear not to have been adjusted after 1992. Over time, UC administrators and Regents apparently forgot these policies or ceased to follow them systematically. In November of 2005, the San Francisco *Chronicle*, and subsequently other news sources, alleged large-scale irregularities in the salaries and compensation awarded to high-level UC administrators.

State government and the UC appear to have initiated inquiries shortly after the newspaper reports appeared, among them a Task Force (and eventual report) on UC Compensation, Accountability, and Transparency; two external audits conducted by PricewaterhouseCoopers; one internal audit conducted by the University Auditor; and a state audit conducted by California's Bureau of State Audits.

These reports and audits revealed numerous failures and violations of UC policies. The Regents' 1992 policy required that all compensation arrangements (including base salary, moving expenses, special relocation allowances, housing

allowances, and summer stipends) for some 300 senior executives be identified and presented to the Regents in their action agenda when the Regents approved these appointments. In scores of instances over at least the past half-dozen years, total compensation was not systematically included in approval requests made to the Regents.

WASC Accountability Issues

In light of the audit findings, WASC examined UC's compliance with its standards and criteria for accreditation. The identified irregular compensation arrangements included, among others, administrators on UC's separately accredited campuses. WASC President and Executive Director Ralph A. Wolff wrote to President Dynes on December 7, 2006, that each UC campus is affected by governance actions taken by the UC Office of the President and the Regents; system-level governance and deficiencies in system-level governance "have direct impact on and relevance to the accreditation of each campus." Mr. Wolff identified as relevant two specific WASC Standards for Accreditation:

The matters identified in the audits are subject to Commission attention under Standard 1, which covers institutional integrity and accountability[,], and Standard 3, which covers financial controls and oversight and decision-making processes. In addition, these issues have implications under Standards 1 and 3 with regard to University governance – how the governance systems of the

University are responding to assure that these matters are being addressed in a timely and appropriate way.

In addition, five of WASC's Criteria for Review were determined to be at issue. CFRs 1.3, 1.8, 3.8, 3.9., and 3.10 read as follows:

CFR 1.3 The institution's leadership creates and sustains a leadership system at all levels that is marked by high performance, appropriate responsibility, and accountability.

CFR 1.8 The institution exhibits integrity in its operations as demonstrated by the implementation of appropriate policies, sound business practices, timely and fair responses to complaints and grievances, and regular evaluation of its performance in these areas.

CFR 3.8 The institution's organizational structures and decision-making processes are clear, consistent with its purposes, and sufficient to support effective decision making.

CFR 3.9 The institution has an independent governing board or similar authority that, consistent with its legal and fiduciary authority, exercises appropriate oversight over institutional integrity, policies, and ongoing operations, including hiring and evaluating the chief executive officer.

CFR 3.10 The institution has a chief executive whose full-time responsibility is to the institution, together with a cadre of

administrators qualified and able to provide effective educational leadership and management at all levels.

In May of 2007, Mr. Wolff appointed the current special committee (1) to determine whether or not the University of California (at the levels of the Regents, Office of the President [UCOP], and campuses) has responded effectively to issues arising under WASC Standards 1 and 3 and the five related CFRs; (2) to evaluate how these responses illuminate the governance functions of the UCOP, the Regents, and the campuses; (3) to offer advice to benefit the UC system; (4) to identify necessary follow-up actions to be taken by the UC and/or WASC with respect to the audit findings and CFRs; and (5) to offer advice to strengthen and clarify the relationship between the University of California system and WASC.

The University's Response

On September 17, 2007, UC submitted to WASC and to the special committee the report entitled "Follow-up Action in Response to Task Force Report and Audits on Compensation" and supported by appendices labeled A through Z. This report summarizes the UC compensation issues and identifies conditions that contributed to them, describes the relationship between WASC standards and the compensation controversy, and outlines corrective actions taken by the University.

The report discloses that UC has implemented numerous remedies in response to the audit findings. Some of these remedies are ongoing or have not

yet begun. These include Regents' actions, system-level reforms, and campus-level reforms.

Committee Procedure

The WASC special committee evaluated the UC's "Follow-up Action in Response to Task Force Report and Audits on Compensation" and discussed this report in a conference call before visiting the UC System Office on October 23-24. Members of the special committee spoke with Richard C. Blum, Chair of the Board of Regents, in a conference call on October 1. (Mr. Blum could not be present during the October 23-24 visit.) Using a uniform set of questions, committee members interviewed several current and former UC chancellors, as well as a former UC provost. With two exceptions, these interviews were conducted before the special committee's October 23-24 special visit. Telephone conversations with one Regent who could not be present during the special visit occurred after the visit. While in Oakland, the committee had access to additional documents and reports relevant to the compensation audits and to UC's systems of governance.

Committee Findings

On page 2 of UC's "Follow-up Action in Response to Task Force Report and Audits on Compensation" document, the University makes the following assertion. Underlining for emphasis is original to the report:

We believe that, collectively, corrective measures taken by the University – those completed, those underway[,] and those requiring additional attention – yield policies and practices at all levels that are wholly consistent with the standards upon which WASC accreditation is based.

Although the WASC special committee concurs that the several audits have led to a conscientious and thorough analysis of many of the issues relating to violations of compensation policies, the committee's interviews and research also led the committee to the conclusion that there are significant, other governance issues that the UC needs to address, some of which are matters of serious concern.

The issues leading to the creation of the special committee appear to have occurred primarily at the interface between the UC Office of the President and the Regents. We neither heard nor found in the audit reports any suggestion of impropriety or irregularity on any of the campuses. UC's "Follow-up Action in Response to Task Force Report and Audits on Compensation" proposes vesting significant new responsibilities in the Office of the President. Separately, however, Chairman Blum's August 22, 2007, letter ("We Need to Be Strategically Dynamic") challenges the functioning of the Office of the President and calls for reorganization and changes in the operation of the President's Office.

We heard from virtually all with whom we talked that governing the UC system and its ten campuses should be the collaborative work of the campus chancellors and administration, the President or Office of the President, and the

Regents. In reviewing the overall assignment and delegation of roles and responsibilities between the campuses, the Office of the President, and the Regents, we found deviations from WASC's standards or expectations of "leadership," by which term the Standards and CFRs clearly include both administrators and the Regents. We spoke to no one who disagreed with this observation. The University identified some of these deviations in its reports, and it has developed processes to correct many of them. Related audits are still in progress. In addition, the Regents have relied heavily on external consultants, notably PricewaterhouseCoopers and the Mercer Group, to propose new systems and procedures.

We believe that these efforts are likely to document adequately the deviations from policy that did occur with respect to compensation issues and to make future violations unlikely. One caution deserves to be noted: A challenge that arises when correcting past wrongs and, at the same time, revising necessarily complex policies for the future is to avoid over-correction. A flawless reporting system may trigger expansion of processes that are already highly bureaucratic and, in the process, make timely action on high-level appointments more complicated than necessary.

From the information available, we see no reason to believe that the deviations from the Regents' 1992 policy were intentional or that anyone in the Office of the President deliberately departed from the Regents' requirements and expectations. In many instances, the total compensation of proposed appointees appears actually to have been reported to the Regents, but in background

documents rather than in the Regents' action agenda. (The 1992 policy required that this information appear in the action agenda.) In most identified instances of incomplete or improper reporting of total compensation, the unreported amounts were comparable to compensation approved for persons in comparable positions whose compensation was reported properly in the action agenda.

The available information suggests that personnel in the Office of the President decided on a case-by-case basis which elements of compensation to report in the action agenda and which not to report.

These facts being as they are, we believe that the deviations from the Regents' 1992 compensation policy were not in compliance with WASC standards as noted below and resulted from the following:

- (1) Loss of "institutional memory," including knowledge that the 1992 policies ever existed. Few or no Regents or senior UC officers were in their current positions when the 1992 policies were adopted (WASC Standards 1 and 3; CFRs 1.3, 1.8, 3.8, and 3.9).
- (2) An internal audit system that failed to track compliance with Regents' policies and flag them for the Regents or for the President. This issue touches both governance and executive management practices (WASC Standards 1 and 3; CFRs 1.3, 1.8, and 3.9).
- (3) The absence of systematic review of materials submitted to the Regents by persons charged specifically with verifying the

action agenda's adherence to established policies. This or analogous safeguards ought to be commonplace protections for a public board with responsibilities as broad as the Regents' responsibilities (WASC Standard 3; CFRs 1.3 and 3.8).

- (4) The absence of a central or universally accessible system for personnel records, including compensation records. The various campuses have independent human resource databases. No universal interface exists. Needed compensation data are acquired from the campuses manually and slowly – a problem that appears to account for the delay of four months before the University could respond to the executive compensation allegations originally made in the *Chronicle* in 2005 (CFR 3.7 [“information technology resources. . . sufficiently coordinated and supported to fulfill (the University's) educational purposes and to provide key academic and administrative functions”]).

More than one factor seems to have shaped an environment in which violations of UC compensation policies were not uncommon. One is the Regent's decision several years ago, as reported by several Board members, to decentralize the University's administration. Senior officers were instructed to “bring less material to the Board” for review and approval, but the instruction came in the form of informal direction rather than in the form of a policy revision. The Regents' need to keep their workload under control is

understandable and legitimate. At the same time, senior officers working under these informal instructions were placed at risk with regard to Regents' policies adopted prior to their time.

A second factor is clearly the scale and complexity of the Regents' workload and the quality of the management systems available to the President's staff as they provide services to the Regents. The absence of a centrally accessible personnel system makes compensation work especially difficult. Generally speaking, meetings occur every second month, a schedule that is in no sense unusual for boards of this kind. Offers of employment and salary commitments often need to occur between Board meetings. Chancellors and other officers hire new colleagues in a competitive marketplace where timely offers have a premium value and where an unwieldy, prolonged, and bureaucratic process of approval can damage the University's interests.

Additional Issues of Significance

Although the special committee initially focused on the response of the UCOP and Regents to compensation issues, it soon became clear that other significant issues were also present in the UC's governance, leadership, and decision-making processes that are relevant to WASC's standards. As a result, the special committee is obligated to report what it found in the course of examining UC's written submissions to WASC and in the course of its interviews and research. We believe that some of these issues are not widely recognized by the Board of Regents but are of sufficient significance to warrant attention,

reflection, and action. At the present time, these issues seem fundamental to effective governance and decision-making, especially at a time when the University's leadership is in transition:

1. There is no consistent, verifiable annual evaluation of the President conducted in the context of annual or other presidential plans of work agreed upon by the President and the Board of Regents. We heard contradictory reports about evaluations of the President. These ranged from no evaluation, to evaluation by a few Regents, to evaluation by the Chair, all described as both with and without periodic reports of findings to the Regents (WASC Standard 1; CFRs 1.3, 1.8, and 3.9).

2. There is no consistent, systematic board self-assessment, and there is no on-going or constant improvement/self-improvement program for the Regents. Newly appointed Regents receive a general briefing on UC systems and procedures shortly after they are appointed. Regents and staff members told us that, after this initial orientation session, the Regents do not engage in process- or system-improvement exercises to assure that they understand current best practices among boards with similar mandates. Responses to our questions about Regents' participation in the on-going training programs offered for college and university board members by the Association of Governing Boards and similar organizations were mixed. No one with whom we talked reported having taken part in any training exercise of this kind (WASC Standard 1 and Standard 3; CFRs 1.3, 1.8, and 3.9).

Symptomatic of the Board's failure to address "best-practice" governance issues, we received differing responses when we asked whether or not the Regents had discussed among themselves the possible value of Sarbanes-Oxley principles of corporate governance to their work as Regents, particularly with regard to their fiduciary responsibilities. One prominent Regent said that they had not. Others said that they had. Similarly, no Regent with whom we spoke was familiar with the two commissions formed by the Association of Governing Boards (AGB) specifically to recommend best practices for board governance as it relates to the employment and assessment of college and university presidents. (See the 1996 report of the AGB Commission on the Academic Presidency ["Stronger Leadership for Troubled Times"] and the 2006 report of the AGB Task Force on the State of the Presidency in American Higher Education ["The Leadership Imperative"].) In our opinion, knowledge of these two reports might well have protected the Regents' interests in executive compensation and general oversight of the Office of the President.

3. There are no consistent (formal or informal) "operating procedures" for Chair and Regent conduct and decision-making. There appears to be a practice among members of the UC Board of Regents, especially the Chair, to make seemingly official statements regarding the UC without formal Board action or prior discussion and authorization of the Board through collective action. It is a general principle of board functioning that boards act only through formal and collective action, rather than as individuals. One example of individual rather than collective action arose in the discussion of widely publicized plans issued in

a position paper by Chairman Blum on the need for reorganization of the UC Office of the President. We received inconsistent responses when we asked to what extent the entire Board of Regents or some significant Regents' committee had contributed to or approved Chairman Blum's letter ("We Need to Be Strategically Dynamic") before that letter was published and circulated, and, in response, the administrative reorganization described in it was begun by the University administration. Generally speaking, the Regents with whom we talked said that they had little or no knowledge of the letter prior to receiving it and reading newspaper accounts of it. It is clear that the letter and proposed actions were not formally adopted by the Board prior to publication (WASC Standard 1 and Standard 3; CFRs 1.3, 3.8, 3.10, and 3.11).

Responses were similarly inconsistent when we asked whether or not the Regents had discussed or approved the letter at their next meeting, following the letter's publication. A faculty spokesperson told us that he discussed it in his presentation to the Regents at this meeting. We heard also that one other reference to it occurred during this meeting, but that the Regents did not discuss the letter or approve the then-in-progress reorganization of the President's Office and appointment of a Chief Operating Officer. The special committee finds it highly unusual and at odds with accepted board governance "best practice" for a letter of this importance to be made public without considerable discussion of its underlying content by the Board and the UCOP and for follow-up action to be taken in response to the call of a single Regent, albeit the Chair.

Similarly, the team learned that Board members have regularly and publicly commented on UC issues outside of Board meetings, sometimes critically, asserting their leadership positions on the Board. It will be important for the Board to establish clear principles defining to whom and under what circumstances individual Board members are authorized to speak on behalf of the Board, especially absent formal Board action. In addition, as further described below, formal lines of authority and boundaries between the policy-setting role of the Board and the executive function of the Office of the President need to be established and followed.

4. There is a culture of interaction within the Board of Regents that needs attention. A concern raised often enough in our interviews to merit mention is the belief that the Regents are sometimes unnecessarily harsh in their treatment of UC administrators, faculty, and staff. According to these reports, civility in communications at public and private meetings, in the media, and in other venues have suffered over time, and the consequence is a perceived absence of common purpose and a “we-they” mentality. This perception merits attention because it undermines shared governance and collective responsibility (WASC Standard 1 and Standard 3; CFRs 1.3, 3.8, 3.9, and 3.10).

Committee Recommendations

The following recommendations are made in the spirit of encouraging further progress on the issues facing the University of California:

1. *UC should build comprehensive processes and procedures to assure that policies adopted at any level within the organization are preserved and understood by persons responsible to implement them. These policies and procedures should be readily available internally and to the public. Available technology will allow this information to be maintained within a searchable, public database with appropriate indexing and editorial attention to assure that interested persons generally (not to mention persons who need to know because of their duties) can find and track policies relevant to any issue. We recommend further that the Regents adopt a system-wide rule of sunseting and then periodically reenacting policies so that chancellors, the President, and the Regents do not find themselves locked into policies (or salary caps or any other artificially rigid prescriptions) that by their nature require regular review and renewal.*

2. *The Regents should continue building the effectiveness of their operations by such means as the Governance Committee already created as a response to the compensation crisis, a strong and properly staffed Audit Committee supported by state-of-the-art financial accounting and control systems throughout the UC, and a coherent system for verifying regulatory compliance. Among other responsibilities, the Governance Committee might well design and run that part of the orientation of new Regents to the Regents' responsibilities, codes of conduct (including agreements as to who speaks for the Regents and what responsibilities come to individual Regents when they speak for, or present themselves as speaking for, the UC), customs of operation, and range of authorities. This committee might also take responsibility for periodically sending individual Regents to meetings*

of the Association of Governing Boards, WASC, and the American Council of Education, and it might encourage Regents to volunteer to serve on visiting committees of WASC and other accrediting and regulatory entities that address issues like the UC's, but in other states and contexts. It might also manage a new set of programs of self-assessment, self-scrutiny, and self-improvement for the Regents. The Audit Committee or some other designated committee should regularly conduct self-assessment programs for the Regents. These should include assessments of members' individual work, of the work done by committees of the Regents, and of the performance of the President and the Office of the President.

The Regents' Audit Committee should assume at least some of the responsibilities accepted by the audit committees of the boards of public companies under the Sarbanes-Oxley Act of 2002, even though these responsibilities are not imposed by law on not-for-profit entities. Best practice is a common matter of scrutiny for well-governed boards and universities. An audit committee is a natural repository for this responsibility. Among other responsibilities, the Regents' system for verifying regulatory compliance should provide regular reports for the Regents on the UC's accreditation, federal statutory, state statutory, and other regulatory obligations, and also on processes of regulatory change that affect or may plausibly affect the UC. Here, too, the Regents' goal ought to be informed by best practice.

3. *The Regents and the UCOP should develop procedures that allow for timely appointments of senior officers consistent with the competitive marketplace for institutions of UC's quality.*

4. *As they seek a new President, the Regents should devote significant time and thought to developing a document that clearly defines the roles, responsibilities, and expectations of the President – along with the roles, responsibilities, and expectations of the Board of Regents. Ambiguity about the respective roles of the Regents and the President compounds the problems described in this report. Mr. Blum's letter ("We Need to Be Strategically Dynamic") may solve certain problems and meet genuine needs, including the need for institutional memory of Regents' policies, but unresolved ambiguity about which functions belong to the Regents and their new Chief of Staff and which belong to the President will likely complicate rather than simplify roles and responsibilities as a new UC President takes office. A document defining the roles of the President and Board might take the form of a compact or codicil or side letter to the letter of the President's appointment, and in this compact the Regents and the eventual President should subscribe together to a set of core principles for the future. These should include transparency, strict attention to policies competently adopted and to perpetual review and renewal of these policies, and understandings about who speaks for the UC and with what authority. This compact should define the limits of each signatory's responsibilities and authorities. It should embody sound principles of institutional governance and execution of positions of public trust. It should be a public document, and it should be periodically updated.*

5. *The Office of the President should develop protocols to support the campuses and especially campus leaders in a timely manner during periods of turmoil, and indeed should seek closer alignment with the chancellors on all matters of common concern. It should advocate, build, and maintain effective central systems for common functions, including personnel management and finance. The UCOP must be accountable to the Regents for the integrity and effectiveness of its operations while serving the needs of the chancellors and their campuses. Sound management and control systems are central to the task of serving both constituencies in a manner that addresses issues in a transparent and expeditious manner. In building these systems, the UC Office of the President must have the support of the chancellors and the Regents.*

6. For WASC: *Revise the accreditation criteria to include explicit standards for system presidencies and system boards. These are implicit in the current criteria, but lay persons appointed to such boards as the UC Board of Regents might well not understand such terms as “leadership” in a context more complex than that of an individual campus.*

Conclusions

UC’s individual campuses are among the best and most respected in the nation and in the world. The system as a whole sets a standard of excellence. This standard of excellence deserves to be matched by an equal level of excellence in the University of California’s governance systems, in both the Board of Regents and the Office of the President. The WASC special committee

believes that the University urgently needs to upgrade and to modernize its governance systems and procedures. Although real and significant progress has been made in regard to UC's compensation policies and practices, serious issues remain to be addressed with respect to the general systems of governance, leadership, and decision-making that are required by WASC's Standards and Criteria for Review.

The process of searching for a new President of the University of California presents a unique opportunity to define more clearly the roles and responsibilities of each of the key parties in the UC's governance and leadership. Moreover, given all of the challenges of the past several years in addressing the policy violations that have occurred in relation to UC compensation, in addressing media claims regarding these violations, and in addressing criticism levied by members of the UC Board against its own administration, there is a need to reestablish confidence in the senior administration of the University and a need for the Board to conduct itself in ways that will ensure the success of any new President (and of the Office of the President). Failure to address these issues could, over time, threaten the reputation that the University of California has deservedly earned as perhaps the nation's finest system of public higher education.

APPENDIX A: TEAM ROSTER



Western Association of Schools and Colleges

Accrediting Commission for Senior Colleges and Universities

TEAM ROSTER AND TITLE PAGE

University of California
1111 Franklin Street
Oakland, CA 94607-5200
(510) 987-9418

Date of Visit: October 23-25, 2007

Type of Visit: Special

Chief Executive Officer:

Robert C. Dynes, President
robert.dynes@ucop.edu

Accreditation Liaison Officer:

Hilary A. Baxter, Assistant Director,
Intersegmental Relations in Educational
Relations, hilary.baxter@ucop.edu

WASC Staff:

Ralph A. Wolff, President and Executive Director
rwofff@wascsenior.org

WASC Chair:

John T. Casteen, III
President
University of Virginia
P.O. Box 400224
Charlottesville, VA 22904-4224
(434) 924-4088
FAX: (434) 924-3792
Cell: (434) 962-4504
e-mail: jtc@virginia.edu; lch5x@virginia.edu

WASC Members:

William E. Kirwan
Chancellor
University System of Maryland
3300 Metzert Road
Adelphi, MD 20783
(301) 445-1901
FAX: (301) 445-1931
e-mail: bkirwan@usmd.edu

Kitty Lagareta
Chair of the Board
University of Hawaii System
2444 Dole Street
Honolulu, HI 96822
808-956-8213
FAX: 808-956-5156
e-mail: klagareta@commpac.com; cnakagawa@commpac.com

APPENDIX B: SCHEDULE FOR SPECIAL VISIT BY THE WESTERN ASSOCIATION OF SCHOOLS AND COLLEGES TO THE UNIVERSITY OF CALIFORNIA

Tuesday, October 23

Claremont Hotel

41 Tunnel Road
Berkeley, CA 94705
(510) 843-3000

3:00 – 5:00 p.m. – Team meeting (Lanai I)

5:00 – 6:00 p.m. – President Robert Dynes (Lanai I)

6:30 – 8:30 p.m. – Private dinner (Monterey Room on the mezzanine level)
~ Wyatt (Rory) Hume, Provost and Executive Vice President
~ Katherine Lapp, Executive Vice President, Business Operations

Wednesday, October 24

UC Office of the President

1111 Franklin Street
Oakland, CA 94607
(510) 987-9418

8:00 – 10:00 a.m. – Meeting with UCOP staff that oversee or work on compensation
(rm. 9115)

- ~ Katherine Lapp, Executive Vice President, Business Operations
- ~ Nicholas Jewell, Vice Provost, Academic Personnel
- ~ Judy Boyette, Associate Vice President, Human Resources & Benefits
- ~ Dennis Larsen, Executive Director, Resource Administration, Human Resources & Benefits

10:00 – 10:15 a.m. – Break

10:15 – 11:15 a.m. – General Counsel Charles Robinson (rm. 9115)

11:15 – 12:15 p.m. – Universitywide Academic Senate (rm. 9115)
~ Michael Brown, Chair
~ Mary Croughan, Vice Chair

12:30 – 2:30 p.m. – Lunch (rm. 12107)

- ~ Regent Russ Gould, Vice Chair
- ~ Regent Judith Hopkinson, former Compensation Committee Chair
- ~ Regent Joanne Kozberg, co-chair of Compensation Task Force
Secretary of the Regents Diane Griffiths

2:30 – 3:00 p.m. – Follow-up as needed for clarification, review of documents, and additional information (rm. 9115)

3:00 – 4:30 p.m. – Team meeting (rm. 9115)

4:30 – 5:30 p.m. – Provost Hume (rm. 12102)

5:30 – 6:30 p.m. – President Dynes (President's conference room – 12th floor)

Arrangements have been made for the team to have dinner at the Claremont on Thursday, October 24, at 7:30. In addition, the Lanai I room will be available for the team members' use from the initial team meeting through 11:00 p.m. on the 24th. The room will be equipped with Wi-Fi internet access, a printer, two copies of the complete report (including appendices), and other supplies listed in the WASC visit guide.

Revised

F5

Office of the President

TO MEMBERS OF THE COMMITTEE ON FINANCE

DISCUSSION ITEM

For Meeting of November 19, 2008

**REVISED FISCAL YEAR 2008-09 BUDGET FOR THE OFFICE OF THE PRESIDENT
AND UPDATE ON ONGOING RESTRUCTURING INITIATIVE**

Executive Vice President Lapp will present for discussion an updated and revised FY 2008-09 appropriations for the Office of the President (attached) to reflect savings achieved through the ongoing long-term restructuring initiative.

(Attachment)

**UNIVERSITY OF CALIFORNIA OFFICE OF THE PRESIDENT
FISCAL YEAR 2008-09 APPROPRIATIONS
(REVISED)**

SUMMARY

BACKGROUND

At the March 2008 meeting of the Board of Regents, the Office of the President presented its Appropriations Proposal for FY 2008-09.

The FY 2008-09 request was based on actual expenditures and FTE, *not* on previous year budgets or projections, to assure accuracy and uniformity of data across all Office of the President departments. The approach reversed the working process of traditional incremental budgeting, whereby only increases over the previous year's budget required justification and approval.

No inflationary increases were built into the proposal. Rather, all departments/units, except the Academic Senate and those offices reporting directly to the Board of Regents, were directed to submit proposals for a minimum of 10% in reductions both for FY 2008-09 expenditures and FTE. This was critical, not only because of growing state fiscal constraints, but because it provided the basis for beginning the process of "right-sizing" the central administration function – a necessary first step in the subsequent design of new systems and structures.

The proposal submitted to The Regents for the Office of the President (excluding the Academic Senate and the Regents' direct reports), requested a FY 2008-09 appropriation of **\$203,109,678**. This represented an expenditure reduction from FY 2007-08 projected expenditures, after adjusting for program costs and fund flowthroughs, of **\$51.66 million, or 20.2%**. The reduction was achieved in roughly equal parts between actual cuts and program cost transfers.

The proposed budget also reflected a significant reduction of **404** positions – a **23%** one-year reduction in FTE from within units reporting to the President. This included the elimination of 6 Senior Management Group positions.

The request was subsequently approved, with slight modifications, at The Regents' May 2008 meeting.

ADDITIONAL SAVINGS

Under President Yudof's leadership, the Office of the President has continued its aggressive restructuring initiative, designed to streamline and right-size central administration operations at UCOP as well as to improve the effectiveness of its operations.

The across-the-board reductions described above began the process of containing growth. While admittedly not the most strategic budgetary tool, across-the-board

reductions helped launch a long overdue streamlining process. Further reductions have been achieved through a Voluntary Separation Program, announced to The Regents last spring.

Having taken the first steps in reducing the Office of the President, the next stage in the process has been to identify ways in which to reduce unnecessary duplication of activities and reorganize units to achieve efficiencies and enhance effectiveness. The most dramatic have been an aggressive effort to consolidate a number of Office of the President functions, from budget and business services to communications and institutional research. These consolidations, as well major reorganizations in a number of departments, including Human Resources & Benefits and the Office of Research and Graduate Studies (ORGS), have achieved further efficiencies.

These efficiencies are reflected in the revised budget.

The process continues, as detailed in the "Next Steps" section below, including a continuing review of Academic Affairs departments, continuing controls over vacancies, and a sharp curtailment of non-essential travel, entertainment and other expenditures.

The President will report back to The Regents on the results of these additional measures at the March 2009 meeting, at which a new appropriations request for the Office of the President will be presented for FY 2009-10.

REVISED FY 2008-09 APPROPRIATIONS

METHODOLOGY

The original FY 2008-09 appropriations request was based on an "adjusted" FY 2007-08 base of \$255.5 million for the Office of the President (excluding the Academic Senate and Regents' direct reports). Adjusted FTE for FY 2007-08 was 1,749.

The rationale for using this "adjusted" total was that it reflected *actual* administrative spending by excluding expenditures and FTE funded by such things as programs restricted for a specific use (i.e. earmarked federal research funds) and costs that are recouped through "recharges" to the campuses for services (e.g., payroll mainframe support and strategic sourcing). These expenditures and FTE were exempted from the 10% across-the-board reductions.

In an effort to provide a complete picture of UCOP expenditures, President Yudof directed that reductions be calculated against the *unadjusted* budget base of \$290 million and 1,874 FTE. The adjusted and unadjusted budget and FTE are outlined in Chart 1.

Further, President Yudof requested a breakdown of all budgets, both personnel and non-personnel, by fund source (unrestricted v. restricted) to determine how much of the savings from UCOP's budget and FTE was unrestricted in how it could be used.

A discussion of the restricted vs. unrestricted funds breakdown follows below.

FY 2007-08		
CENTRAL ADMINISTRATION EXPENDITURES AND FTE		
(ADJUSTED V. UNADJUSTED)		
	Budget	FTE
Adjusted	\$255,454,955	1749.26
Unadjusted	\$290,540,287	1873.53

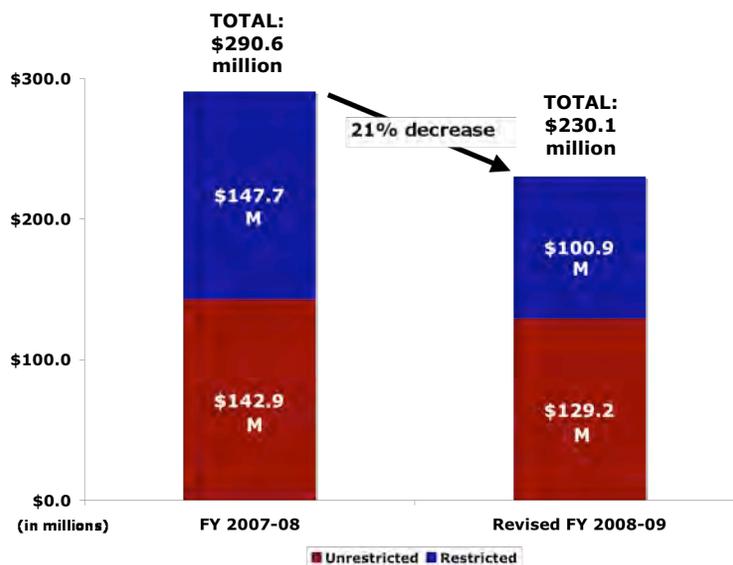
CHART 1

REVISED APPROPRIATIONS

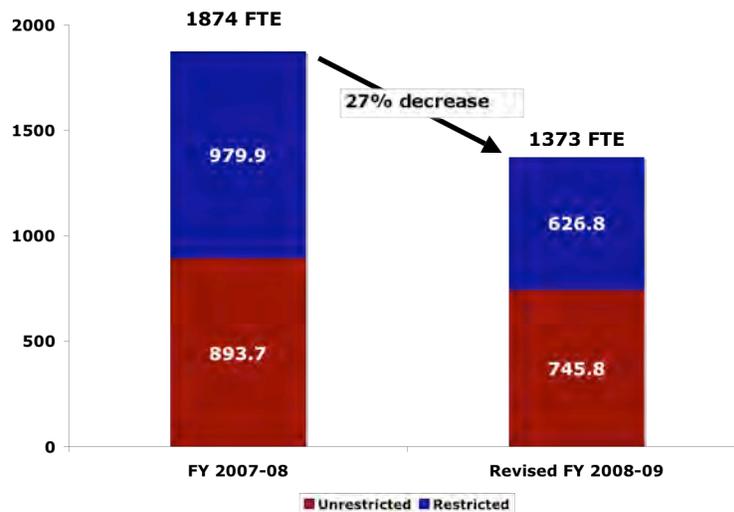
As a result of the steps taken over the last four months, the Office of the President is revising its appropriations for FY 2008-09 to **\$230.1 million**. This represents additional reductions identified in the four months since the start of the new fiscal year of **97 FTE** and **\$8.7 million** in budget savings over and above those approved by the Regents in May 2008.

When these additional reductions are combined with those reflected in the Office of the President FY 2008-09 budget, they represent a **27%** decrease in FTE (to 1,373) since FY 2007-08, providing a **21%** total decrease in total budget. **\$23 million**, or 38%, of the achieved savings are from unrestricted funding sources, and therefore can be deployed to other University priorities.

Further Reductions in UCOP Central Administration Budget ...



UCOP Workforce Reductions



Achieving the Savings

In the months since the Regents approved the FY 2008-09 appropriations for the Office of the President, it has moved aggressively to reduce its size while increasing its effectiveness.

The strategies deployed included:

- Consolidation of redundant administrative support functions into single UCOP-wide units that are organized and staffed in order to broadly serve the entire organization in ways that reduce redundancy and achieve efficiencies;
- Reorganization of existing departments;
- Adoption of a Voluntary Separation Program for employees within the units reporting to the President. While announced in December 2007, with many employees giving formal notice of participation during the course of the development of the original FY 2008-09 budget, these reductions, in large part, were not reflected in the proposed FY 2008-09 appropriations request; and
- Department-by-department reviews to identify both low-priority activities that could be eliminated and high-priority functions requiring additional investment. As a result of these reviews, strict controls were imposed on all vacancies.

These are described at greater length below:

Consolidations and reorganizations

A central focus of the recent streamlining effort is to reduce redundancy within the central administration. Among the functions that are performed in the various departments, in many cases duplicating similar services, are PC/server support; payroll; and business administration, including budget. Consolidating these functions into single UCOP-wide units is an effort to recast them as “utilities” that are organized and staffed in order to broadly serve the entire centralized enterprise.

In addition, there are a number of previously distributed external relations and research functions that were identified as candidates for consolidations, both to achieve efficiencies and improve effectiveness. These include communications; institutional research, reporting and analysis; legislative analysis.

In the last six months, six consolidations have been designed and are in the process of implementation. They include:

Technology Service Desk is a single, professionalized IT support unit designed to provide high-quality, secure and professional IT support across the Office of the President. Status: Completed. Net savings: 10 FTE.

UCOP Budget Office, which consolidates fiscal oversight functions previously scattered across UCOP into a single, professional unit charged with providing timely, accurate and rigorous budget reporting and management. Status: Completed. Net savings: 9 FTE.

Business Resource Center (BRC), which eliminates redundancy among more than 100 FTE by creating a single, 49-person unit charged with handling all business transactions for UCOP. Improves reporting and compliance of over 44,000 annual transactions. Status: In final stage of implementation. Net savings: 45 FTE.

Communications Unit, which consolidates 40 FTE scattered across eight departments into a single unit that, under central leadership, will improve service and provide consistent strategic messaging. Status: Underway. Net savings: 10 FTE.

Institutional Research centralizes responsibility for maintaining, analyzing and reporting shared institutional data. Benefits include improved data quality and consistency. Status: Underway. Net savings: 18 FTE.

Issues Management Policy Analysis and Coordination (IMPAC) consolidates and professionalizes ad hoc issues management, policy development and legislative analysis. The new unit is designed to upgrade the quality of analysis and to provide leadership with timely and informed policy and issues management. Status: Underway. Net savings: 5 FTE.

Note that the net savings of these consolidations have yet to be fully realized. They will be achieved over the course of the fiscal year, as the new units become fully implemented and redundancy elsewhere in the Office of the President is eliminated.

In addition to these consolidations, several major department reorganizations have been launched. They are detailed in the "Next Steps" section below.

Voluntary Separation Program (VSP)

As of the January 31, 2008, deadline of the program, over 259 individuals indicated an interest in participating. Under the terms of the program, those individuals were required to give formal notice of participation by no later than May 1, 2008, with separation from employment no later than June 30, 2008. Managers of units were asked to develop work plans to identify which vacated positions are critical and need to be backfilled. The remaining positions would be eliminated.

In the end, 155 individuals – or nearly 60% of those who indicated an interest – took advantage of the VSP. Sixteen individuals – or 10% -- took positions on UC campuses.

Of the total, 44% (68 FTE) were managers and 54% were professional staff. Two percent were Academic Senate staff.

After a review by managers in consultation with senior leadership, it was determined that 80 of the vacated positions were critical to the University and would be replaced. In some instances, managers determined that vacancies should be repurposed into positions that will better meet the needs of units and therefore improve efficiency.

Fifty-two percent (52%) of the vacancies have been or will be filled. The remaining 75 positions will not be replaced, yielding a first-year savings – after the cost of outplacement services and severance payments – of more than \$800,000. Anticipated salary savings after the first year is estimated at \$5 million annually (not including benefits and other non-salary savings) – over 65% of which will come from unrestricted funding.

Vacancy Controls

During this period, the Office of the President has strictly controlled vacancies. Department managers must demonstrate that positions are critical to the mission of the University they are approved to be filled by senior leadership. As of the printing of this summary, it is estimated that UCOP is holding nearly 100 vacancies, not including those within the newly-created consolidated units.

Not only are these vacancies yielding new budget savings, but they also represent opportunities for continued FTE reductions. The permanent elimination of even just 50% of current vacancies could result in up to \$6 million in additional budget savings, three-quarters of it from unrestricted funding.

Unrestricted vs. Restricted UCOP Funding

The March 2008 presentation to The Regents described how the Office of the President is supported by 79 different fund sources, excluding those that support small research initiatives. It also generally explained the kinds of funds, including general and

common funds, which are unrestricted in ways that can be effectively controlled and allocated at the discretion of the President to meet his and The Regents' changing priorities.

A more detailed analysis, conducted at the direction of President Yudof, has provided a fuller picture of how unrestricted and restricted funding impacts the Office of the President.

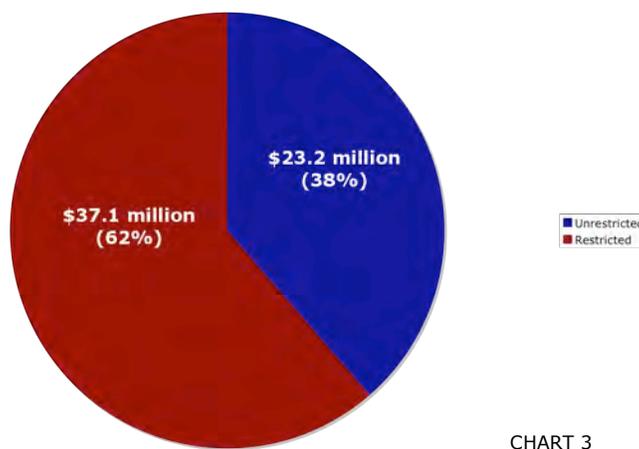
As detailed in Chart 2, unrestricted funding represented about 48% of UCOP's FTE and 51% of its budget in FY 2007-08. Those percentages have increased slightly as a result of the reductions: Unrestricted funding now represent over 54% of both total FTE and budget, thus giving the President potentially greater flexibility in the deployment of these unrestricted funds.

UNRESTRICTED V. RESTRICTED FUNDING AT UCOP						
	FY 2007-08			REVISED FY 2008-09		
	<i>UNRESTRICTED</i>	<i>RESTRICTED</i>	<i>TOTAL</i>	<i>UNRESTRICTED</i>	<i>RESTRICTED</i>	<i>TOTAL</i>
FTE	894	980	1,874	746	627	1,373
BUDGET	\$142.9 M	\$147.6 M	\$290.5 M	\$119.7 M	\$110.4 M	\$230.1 M

CHART 2

While this is an encouraging trend, it highlights continuing constraints in the use of UCOP savings: currently only 38 cents of every dollar saved through the current restructuring initiative can be used for unrestricted purposes (Chart 3).

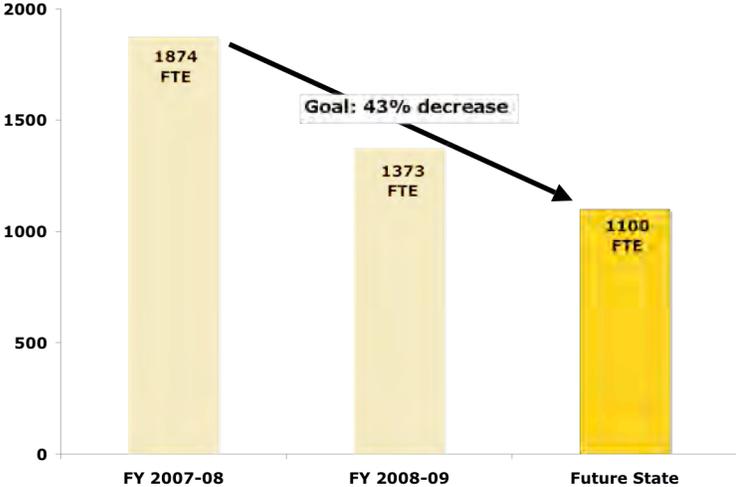
**Source of UCOP Savings:
Unrestricted v. Restricted**



NEXT STEPS

The Office of the President restructuring initiative continues, with a tentative goal of further reducing its workforce by at least 275 FTE and its budget by \$25 million by the end of the 2009-2010 fiscal year. This would result in a UCOP workforce of less than 1,100 FTE and a total budget, unadjusted even for program funding that flows through UCOP to the campuses, of approximately \$200 million (Chart 4).

UCOP Future State: FTE



UCOP Future State: Budget

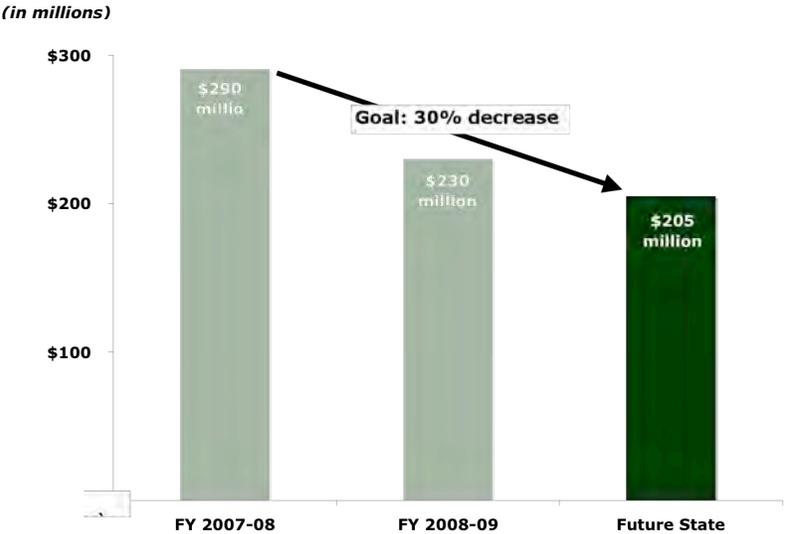


CHART 4

These further reductions will be achieved through the following initiatives already been launched by President Yudof:

A review of Academic Affairs. Acting Provost Grey is leading an effort to identify additional duplications of effort within Academic Affairs departments as well as additional opportunities to transfer programs or services that can be better performed by third-party vendors or campuses. Among the candidates: the Education Abroad Program, with its 80 FTE and roughly \$30 million budget – much of it in unrestricted funding.

Benefits administration. A determination will soon be made about the most effective and efficient way to administer retiree benefits for all systemwide annuitants, including retirement counseling, pension administration and accounting and operating a customer service center. Among the options is to utilize a third-party vendor or establish a dedicated service center, both of which would have a significant positive impact on UCOP's future organizational structure.

Continuing reorganizations. Four major departmental reorganizations are currently underway. They include **Human Resources & Benefits**, which is on target to reduce its FY 2007-08 FTE of 258 down to roughly 110 by shifting functions to campuses and possibly to third-party vendors; the **Office of Research and Graduate Studies**, which under Vice President Steven Beckwith has already achieved nearly 30% in budget and FTE reductions by reducing redundancy among the unit's diverse research portfolio; the departments of **Systemwide Budget** and **Facilities Administration**, which are being combined into a single organizational unit with a focus on overall resource management and stewardship; **Agriculture & Natural Resources**, which continues its strategic review; and **External Relations**, which under new leadership is reviewing its current structure, beginning with the creation of the new consolidated Communications Unit described above.

Curtailment of all non-essential spending. President Yudof has directed Executive Vice President Lapp to curtail non-essential spending by instituting strict expenditure control measures and pre-approval processes for out-of-state travel, consulting contracts, and purchases and in-state travel exceeding \$500. It is estimated that these controls will achieve \$1.4 million in additional budget savings.

Vacancy controls. The vacancy controls established early last year continue, with strict new requirements on departments wishing to fill any position at the Office of the President. As noted above, the vacancy control process has helped to achieve considerable budget savings and will continue to be used as a tool not only to control costs but also to help more effectively manage a more streamlined UCOP.

ATTACHMENT: Budget and FTE summaries (by department)

OFFICE OF THE PRESIDENT - REVISED FY 2008-09 BUDGET

OVERVIEW

TOTAL OFFICE OF THE PRESIDENT (CORE AND SYSTEM SUPPORT)												
	FY 2007-08			Revised FY 2008-09			Overall Savings (FY 2007-08 to Revised)			Percent Reduction (FY 2007-08 to Revised)		
	<i>Unrestricted</i>	<i>Restricted</i>	<i>Total</i>	<i>Unrestricted</i>	<i>Restricted</i>	<i>Total</i>	<i>Unrestricted</i>	<i>Restricted</i>	<i>Total</i>	<i>Unrestricted</i>	<i>Restricted</i>	<i>Total</i>
FTE	893.67	979.86	1,873.53	745.80	626.80	1,372.60	147.87	353.06	500.93	17%	36%	27%
BUDGET	\$ 142,892,365	\$ 147,647,924	\$ 290,540,289	\$ 119,659,644	\$ 110,468,130	\$ 230,127,774	\$ 23,232,721	\$ 37,179,794	\$ 60,412,515	16%	25%	21%
<i>Personnel</i>	83,584,188	84,260,181	167,844,369	71,371,198	57,884,448	129,255,646	12,212,990	26,375,733	38,588,723	15%	31%	23%
<i>Non-Personnel</i>	59,308,177	63,387,743	122,695,920	48,288,446	52,583,682	100,872,128	11,019,731	10,804,061	21,823,792	19%	17%	18%

DIVISION SUMMARIES

ACADEMIC AFFAIRS												
	FY 2007-08 (unadjusted)			Revised FY 2008-09			Overall Savings (FY 2007-08 to Revised)			Percent Reduction (FY 2007-08 to Revised)		
	<i>Unrestricted</i>	<i>Restricted</i>	<i>Total</i>	<i>Unrestricted</i>	<i>Restricted</i>	<i>Total</i>	<i>Unrestricted</i>	<i>Restricted</i>	<i>Total</i>	<i>Unrestricted</i>	<i>Restricted</i>	<i>Total</i>
ACADEMIC ADVANCEMENT												
FTE	14.95	2.10	17.05	12.00	1.00	13.00	2.95	1.10	4.05	20%	52%	24%
BUDGET	\$ 1,952,475	\$ 101,481	\$ 2,053,956	\$ 1,548,668	\$ 89,427	\$ 1,638,095	\$ 403,807	\$ 12,054	\$ 415,861	21%	12%	20%
<i>Personnel</i>	1,761,326	93,185	1,854,511	1,412,523	81,131	1,493,654	348,803	12,054	360,857	20%	13%	19%
<i>Non-Personnel</i>	191,149	8,296	199,445	136,145	8,296	144,441	55,004	-	55,004	29%	0%	28%
ACADEMIC INFORMATION & STRATEGIC SERVICES												
FTE	207.06	343.45	550.51	175.2	145.52	320.72	31.86	197.93	229.79	15%	58%	42%
BUDGET	\$ 52,721,947	\$ 34,663,442	\$ 87,385,389	\$ 41,670,484	\$ 17,040,055	\$ 58,710,539	\$ 11,051,463	\$ 17,623,387	\$ 28,674,850	21%	51%	33%
<i>Personnel</i>	18,010,079	23,666,486	41,676,565	15,311,183	9,646,780	24,957,963	2,698,896	14,019,706	16,718,602	15%	59%	40%
<i>Non-Personnel</i>	34,711,868	10,996,956	45,708,824	26,359,301	7,393,275	33,752,576	8,352,567	3,603,681	11,956,248	24%	33%	26%
AGRICULTURE & NATURAL RESOURCES												
FTE	47.70	6.78	54.48	40.70	5.78	46.48	7.00	1.00	8.00	15%	15%	15%
BUDGET	\$ 5,310,455	\$ 562,964	\$ 5,873,419	\$ 4,656,665	\$ 497,926	\$ 5,154,591	\$ 653,790	\$ 65,038	\$ 718,828	12%	12%	12%
<i>Personnel</i>	4,756,587	516,017	5,272,604	4,293,855	450,979	4,744,834	462,732	65,038	527,770	10%	13%	10%
<i>Non-Personnel</i>	553,868	46,947	600,815	362,810	46,947	409,757	191,058	-	191,058	34%	0%	32%
EDUCATIONAL RELATIONS												
FTE	47.43	23.34	70.77	0.00	0.00	0.00	47.43	23.34	70.77	100%	100%	100%
BUDGET	\$ 5,106,555	\$ 4,339,648	\$ 9,446,203	\$ -	\$ -	\$ -	\$ 5,106,555	\$ 4,339,648	\$ 9,446,203	100%	100%	100%
<i>Personnel</i>	4,002,272	1,881,727	5,883,999	-	-	-	4,002,272	1,881,727	5,883,999	100%	100%	100%
<i>Non-Personnel</i>	1,104,283	2,457,921	3,562,204	-	-	-	1,104,283	2,457,921	3,562,204	100%	100%	100%

DIVISION SUMMARIES: Academic Affairs (Cont'd)

	FY 2007-08 (unadjusted)			Revised FY 2008-09			Overall Savings (FY 2007-08 to Revised)			Percent Reduction (FY 2007-08 to Revised)		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	LABORATORY MANAGEMENT											
FTE	0.00	16.98	16.98	0.00	13.90	13.90	0	3.08	3.08	-	18%	18%
BUDGET	\$ -	\$ 4,464,078	\$ 4,464,078	\$ -	\$ 3,944,769	\$ 3,944,769	\$ -	\$ 519,309	\$ 519,309	-	12%	12%
Personnel	-	3,342,354	3,342,354	-	3,403,531	3,403,531	-	(61,177)	(61,177)	-	-2%	-2%
Non-Personnel	-	1,121,724	1,121,724	-	541,238	541,238	-	580,486	580,486	-	52%	52%
PROVOST - IMMEDIATE OFFICE												
FTE	18.67	5.30	23.97	8.43	4.00	12.43	10.24	1.3	11.54	55%	25%	48%
BUDGET	\$ 2,063,714	\$ 609,681	\$ 2,673,395	\$ 1,142,047	\$ 554,734	\$ 1,696,781	\$ 921,667	\$ 54,947	\$ 976,614	45%	9%	37%
Personnel	1,908,767	377,261	2,286,028	994,720	333,743	1,328,463	914,047	43,518	957,565	48%	12%	42%
Non-Personnel	154,947	232,420	387,367	147,327	220,991	368,318	7,620	11,429	19,049	5%	5%	5%
RESEARCH & GRADUATE STUDIES (ORGS)												
FTE	81.15	145.60	226.83	61.53	99.35	160.88	19.62	46.25	65.95	24%	32%	29%
BUDGET	\$ 8,653,156	\$ 22,802,143	\$ 31,455,299	\$ 7,399,322	\$ 16,072,109	\$ 23,471,431	\$ 1,253,834	\$ 6,730,034	\$ 7,983,868	14%	30%	25%
Personnel	7,355,407	13,285,321	20,640,728	6,128,792	8,872,439	15,001,231	1,226,615	4,412,882	5,639,497	17%	33%	27%
Non-Personnel	1,297,749	9,516,822	10,814,571	1,270,530	7,199,670	8,470,200	27,219	2,317,152	2,344,371	2%	24%	22%
STUDENT AFFAIRS												
FTE	122.37	68.83	191.12	90.21	44.43	134.64	32.16	24.4	56.48	26%	35%	30%
BUDGET	\$ 11,221,601	\$ 11,171,290	\$ 22,392,891	\$ 7,756,736	\$ 8,150,151	\$ 15,906,887	\$ 3,464,865	\$ 3,021,139	\$ 6,486,004	31%	27%	29%
Personnel	7,331,923	8,236,971	15,568,894	4,645,844	5,803,338	10,449,182	2,686,079	2,433,633	5,119,712	37%	30%	33%
Non-Personnel	3,889,678	2,934,319	6,823,997	3,110,892	2,346,813	5,457,705	778,786	587,506	1,366,292	20%	20%	20%
ACADEMIC AFFAIRS SUBTOTAL												
FTE	539.33	612.38	1151.71	388.07	313.98	702.05	151.26	298.40	449.66	28%	49%	39%
BUDGET	\$ 87,029,903	\$ 78,714,727	\$ 165,744,630	\$ 64,173,922	\$ 46,349,171	\$ 110,523,093	\$ 22,855,981	\$ 32,365,556	\$ 55,221,537	26%	41%	33%
Personnel	\$ 45,126,361	\$ 51,399,322	\$ 96,525,683	\$ 32,786,917	\$ 28,591,941	\$ 61,378,858	\$ 12,339,444	\$ 22,807,381	\$ 35,146,825	27%	44%	36%
Non-Personnel	\$ 41,903,542	\$ 27,315,405	\$ 69,218,947	\$ 31,387,005	\$ 17,757,230	\$ 49,144,235	\$ 10,516,537	\$ 9,558,175	\$ 20,074,712	25%	35%	29%
NEW CONSOLIDATED UNITS REPORTING TO THE PROVOST												
<i>Divisional Operations Coordination Unit</i>												
FTE				3	0	3	-3	0	-3	N/A	N/A	N/A
BUDGET				\$ 307,247	\$ -	\$ 307,247	\$ (307,247)	\$ -	\$ (307,247)	N/A	N/A	N/A
Personnel				302,247	-	302,247	(302,247)	-	(302,247)	N/A	N/A	N/A
Non-Personnel				5,000	-	5,000	(5,000)	-	(5,000)	N/A	N/A	N/A
ACADEMIC AFFAIRS TOTAL (WITH CONSOLIDATIONS)												
FTE	539.33	612.38	1151.71	391.07	313.98	705.05	148.26	298.40	446.66			
BUDGET	\$ 87,029,903	\$ 78,714,727	\$ 165,744,630	\$ 64,481,169	\$ 46,349,171	\$ 110,830,340	\$ 22,548,734	\$ 32,365,556	\$ 54,914,290			
Personnel	\$ 45,126,361	\$ 51,399,322	\$ 96,525,683	\$ 33,089,164	\$ 28,591,941	\$ 61,681,105	\$ 12,037,197	\$ 22,807,381	\$ 34,844,578			
Non-Personnel	\$ 41,903,542	\$ 27,315,405	\$ 69,218,947	\$ 31,392,005	\$ 17,757,230	\$ 49,149,235	\$ 10,511,537	\$ 9,558,175	\$ 20,069,712			

BUSINESS OPERATIONS												
	FY 2007-08 (unadjusted)			Revised FY 2008-09			Overall Savings (FY 2007-08 to Revised)			Percent Reduction (FY 2007-08 to Revised)		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	BUSINESS OPERATIONS - IMMEDIATE OFFICE											
FTE	12.27	0.00	12.27	7.00	0.00	7.00	5.27	0.00	5.27	43%	0%	43%
BUDGET	\$ 1,874,551	\$ -	\$ 1,874,551	\$ 1,361,198	\$ -	\$ 1,361,198	\$ 513,353	\$ -	\$ 513,353	27%	0%	27%
Personnel	1,697,773	-	1,697,773	1,184,420	-	1,184,420	513,353	0	513,353	30%	0%	30%
Non-Personnel	176,778	-	176,778	176,778	-	176,778	0.00	0.00	0.00	0%	0%	0%
INSTITUTIONAL ADVANCEMENT (Transferred from External Relations)												
FTE	5.40	0.00	5.40	3.61	0.79	4.40	1.79	-0.79	1.00	33%	0%	19%
BUDGET	\$ 540,063	\$ 155,702	\$ 695,765	\$ 463,196	\$ 157,930	\$ 621,126	\$ 76,867	\$ (2,228)	\$ 74,639	14%	-1%	11%
Personnel	519,863	91,741	611,604	442,996	93,969	536,965	76,867	(2,228)	74,639	15%	-2%	12%
Non-Personnel	20,200	63,961	84,161	20,200	63,961	84,161	\$ -	\$ -	\$ -	0%	0%	0%
FACILITIES ADMINISTRATION												
FTE	44.62	2.7	60.35	24.50	2.50	27.00	20.12	0.20	33.35	45%	7%	55%
BUDGET	\$ 5,132,133	\$ 1,742,851	\$ 6,874,984	\$ 3,311,319	\$ 450,267	\$ 3,761,586	\$ 1,820,814	\$ 1,292,584	\$ 3,113,398	35%	74%	45%
Personnel	4,488,793	1,453,814	5,942,607	2,869,030	302,837	3,171,867	1,619,763	1,150,977	2,770,740	36%	79%	47%
Non-Personnel	643,340	289,037	932,377	442,289	147,430	589,719	201,051	141,607	342,658	31%	49%	37%
MAIL SERVICES (Transferred from IR&C)												
FTE	5.00	0.00	5.00	3.00	1.00	4.00	2.00	-1.00	1.00	40%	0%	20%
BUDGET	Included above											
FINANCIAL MANAGEMENT												
FTE	50.30	38.26	88.56	33.60	37.80	71.40	16.70	0.46	17.16	33%	1%	19%
BUDGET	\$ 4,667,967	\$ 7,133,036	\$ 11,801,003	\$ 3,125,745	\$ 8,613,972	\$ 11,739,717	\$ 1,542,222	\$ (1,480,936)	\$ 61,286	33%	-21%	1%
Personnel	4,264,308	4,845,637	9,109,945	2,722,086	5,897,573	8,619,659	1,542,222	(1,051,936)	490,286	36%	-22%	5%
Non-Personnel	403,659	2,287,399	2,691,058	403,659	2,716,399	3,120,058	-	(429,000)	(429,000)	0%	-19%	-16%
LOAN PROGRAMS (Transferred from Facilities Administration)												
FTE	0.00	13.03	13.03	0.00	11.75	11.75	0.00	1.28	1.28	0%	10%	10%
BUDGET	Included above											
HUMAN RESOURCES & BENEFITS												
FTE	43.97	214.68	258.65	27.09	166.41	193.50	16.88	48.27	65.15	38%	22%	25%
BUDGET	\$ 12,698,122	\$ 33,658,494	\$ 46,356,616	\$ 10,791,203	\$ 28,939,681	\$ 39,730,884	\$ 1,906,919	\$ 4,718,813	\$ 6,625,732	15%	14%	14%
Personnel	4,163,049	17,807,645	21,970,694	2,921,622	14,602,550	17,524,172	1,241,427	3,205,095	4,446,522	30%	18%	20%
Non-Personnel	8,535,073	15,850,849	24,385,922	7,869,581	14,337,131	22,206,712	665,492	1,513,718	2,179,210	8%	10%	9%
INFORMATION RESOURCES & COMMUNICATIONS												
FTE	66.46	87.34	153.80	45.56	83.44	129.00	20.90	3.90	24.80	31%	4%	16%
BUDGET	\$ 12,299,664	\$ 24,945,436	\$ 37,245,100	\$ 9,433,943	\$ 24,584,346	\$ 34,018,289	\$ 2,865,721	\$ 361,090	\$ 3,226,811	23%	1%	9%
Personnel	7,478,169	7,851,045	15,329,214	5,712,448	7,489,955	13,202,403	1,765,721	361,090	2,126,811	24%	5%	14%
Non-Personnel	4,821,495	17,094,391	21,915,886	3,721,495	17,094,391	20,815,886	1,100,000	-	1,100,000	23%	0%	-5%

DIVISION SUMMARIES: Business Operations (Cont'd)

SYSTEMWIDE BUDGET OFFICE

FTE	33.50	0.50	34.00	26.50	0.50	27.00	7.00	0.00	7.00	21%	-	21%
BUDGET	\$ 3,934,626	\$ 37,012	\$ 3,971,638	\$ 3,197,331	\$ 37,012	\$ 3,234,343	\$ 737,295	\$ -	\$ 737,295	19%	-	19%
Personnel	3,685,523	37,012	3,722,535	2,948,228	37,012	2,985,240	737,295	-	737,295	20%	-	20%
Non-Personnel	249,103	-	249,103	249,103	-	249,103	-	-	-	0%	-	0%

BUSINESS OPERATIONS SUBTOTAL

FTE	261.52	356.51	631.06	170.86	304.19	475.05	90.66	52.32	156.01	35%	15%	25%
BUDGET	\$ 41,147,126	\$ 67,672,531	\$ 108,819,657	\$ 31,683,935	\$ 62,783,208	\$ 94,467,143	\$ 9,463,191	\$ 4,889,323	\$ 14,352,514	23%	7%	13%
Personnel	26,297,478	32,086,894	58,384,372	18,800,830	28,423,896	47,224,726	7,496,648	3,662,998	11,159,646	29%	11%	19%
Non-Personnel	14,849,648	35,585,637	50,435,285	12,883,105	34,359,312	47,242,417	1,966,543	1,226,325	3,192,868	13%	3%	6%

NEW CONSOLIDATED UNITS REPORTING TO THE EXECUTIVE VICE PRESIDENT - BUSINESS OPERATIONS

OP Budget Office

FTE	7	0	7	-7	0	-7	N/A	N/A	N/A
BUDGET	\$ 756,855	\$ -	\$ 756,855	\$ (756,855)	\$ -	\$ (756,855)	N/A	N/A	N/A
Personnel	746,855	-	746,855	(746,855)	-	(746,855)	N/A	N/A	N/A
Non-Personnel	10,000	-	10,000	(10,000)	-	(10,000)	N/A	N/A	N/A

Business Resource Center

FTE	49	0	49	-49	0	-49	N/A	N/A	N/A
BUDGET	\$ 3,408,424	\$ -	\$ 3,408,424	\$ (3,408,424)	\$ -	\$ (3,408,424)	N/A	N/A	N/A
Personnel	3,358,424	-	3,358,424	(3,358,424)	-	(3,358,424)	N/A	N/A	N/A
Non-Personnel	50,000	-	50,000	(50,000)	-	(50,000)	N/A	N/A	N/A

Divisional Operations Coordination Unit

FTE	3	0	3	-3	0	-3	N/A	N/A	N/A
BUDGET	\$ 307,247	\$ -	\$ 307,247	\$ (307,247)	\$ -	\$ (307,247)	N/A	N/A	N/A
Personnel	302,247	-	302,247	(302,247)	-	(302,247)	N/A	N/A	N/A
Non-Personnel	5,000	-	5,000	(5,000)	-	(5,000)	N/A	N/A	N/A

Project/Change Management Office

FTE	3	0	3	-3	0	-3	N/A	N/A	N/A
BUDGET	\$ 383,400	\$ -	\$ 383,400	\$ (383,400)	\$ -	\$ (383,400)	N/A	N/A	N/A
Personnel	378,400	-	378,400	(378,400)	-	(378,400)	N/A	N/A	N/A
Non-Personnel	5,000	-	5,000	(5,000)	-	(5,000)	N/A	N/A	N/A

Technology Service Desk

FTE	20	0	20	-20	0	-20	N/A	N/A	N/A
BUDGET	\$ 2,291,816	\$ 346,433	\$ 2,638,249	\$ (2,291,816)	\$ (346,433)	\$ (2,638,249)	N/A	N/A	N/A
Personnel	1,191,816	346,433	1,538,249	(1,191,816)	(346,433)	(1,538,249)	N/A	N/A	N/A
Non-Personnel	1,100,000	-	1,100,000	(1,100,000)	-	(1,100,000)	N/A	N/A	N/A

DIVISION SUMMARIES: Business Operations (Cont'd)

BUSINESS OPERATIONS TOTAL (WITH CONSOLIDATIONS)

	261.52	356.51	631.06	252.86	304.19	557.05	8.66	52.32	74.01
FTE									
BUDGET	\$ 82,294,252	\$ 135,345,062	\$ 217,639,314	\$ 70,515,612	\$ 125,912,849	\$ 196,428,461	\$ 11,778,640	\$ 9,432,213	\$ 21,210,853
<i>Personnel</i>	\$ 52,594,956	\$ 64,173,788	\$ 116,768,744	\$ 43,579,402	\$ 57,194,225	\$ 100,773,627	\$ 9,015,554	\$ 6,979,563	\$ 15,995,117
<i>Non-Personnel</i>	\$ 29,699,296	\$ 71,171,274	\$ 100,870,570	\$ 26,936,210	\$ 68,718,624	\$ 95,654,834	\$ 2,763,086	\$ 2,452,650	\$ 5,215,736

EXTERNAL RELATIONS

	FY 2007-08 (unadjusted)			Revised FY 2008-09			Overall Savings (FY 2007-08 to Revised)			Percent Reduction (FY 2007-08 to Revised)		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	External Relations											
FTE	57.70	3.20	60.90	24.30	3.20	27.50	33.40	0.00	33.40	58%	0%	55%
BUDGET	\$ 9,305,236	\$ 623,739	\$ 9,928,975	\$ 4,652,765	\$ 591,793	\$ 5,244,558	\$ 4,652,471	\$ 31,946	\$ 4,684,417	50%	5%	47%
<i>Personnel</i>	7,405,845	178,203	7,584,048	3,710,491	162,000	3,872,491	3,695,354	16,203	3,711,557	50%	9%	49%
<i>Non-Personnel</i>	1,899,391	445,536	2,344,927	942,274	429,793	1,372,067	957,117	15,743	972,860	50%	4%	41%

NEW CONSOLIDATED UNITS REPORTING TO THE EXECUTIVE VICE PRESIDENT - EXTERNAL RELATIONS

Consolidated Communications Unit

FTE		27	0	27	-27	0	-27	N/A	N/A	N/A
BUDGET		3,822,165	-	3,822,165	(3,822,165)	-	(3,822,165)	N/A	N/A	N/A
<i>Personnel</i>		2,932,165	-	2,932,165	(2,932,165)	-	(2,932,165)	N/A	N/A	N/A
<i>Non-Personnel</i>		890,000	-	890,000	(890,000)	-	(890,000)	N/A	N/A	N/A

EXTERNAL RELATIONS TOTAL

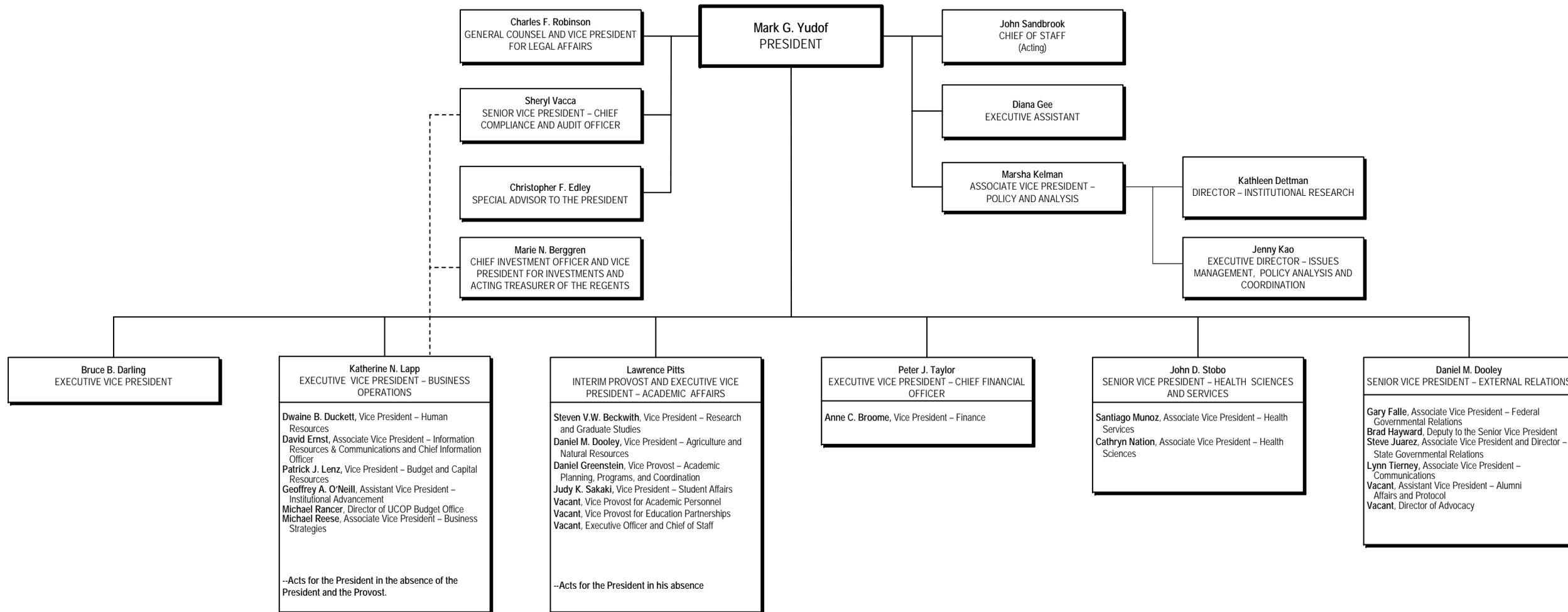
FTE	57.70	3.20	60.90	51.30	3.20	54.50	6.40	0.00	6.40	11%	0%	11%
BUDGET	\$ 9,305,236	\$ 623,739	\$ 9,928,975	\$ 8,474,930	\$ 591,793	\$ 9,066,723	\$ 830,306	\$ 31,946	\$ 862,252	9%	5%	9%
<i>Personnel</i>	\$ 7,405,845	\$ 178,203	\$ 7,584,048	\$ 6,642,656	\$ 162,000	\$ 6,804,656	\$ 763,189	\$ 16,203	\$ 779,392	10%	9%	10%
<i>Non-Personnel</i>	\$ 1,899,391	\$ 445,536	\$ 2,344,927	\$ 1,832,274	\$ 429,793	\$ 2,262,067	\$ 67,117	\$ 15,743	\$ 82,860	4%	4%	4%

HEALTH SCIENCES/SERVICES

	FY 2007-08 (unadjusted)			Revised FY 2008-09			Overall Savings (FY 2007-08 to Revised)			Percent Reduction (FY 2007-08 to Revised)		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Health Sciences/Services											
FTE	24.57	7.77	32.34	14.57	5.43	20.00	10.00	2.34	12.34	41%	0%	38%
BUDGET	\$ 3,702,662	\$ 636,927	\$ 4,339,589	\$ 2,698,579	\$ 397,525	\$ 3,096,104	\$ 1,004,083	\$ 239,402	\$ 1,243,485	27%	38%	29%
<i>Personnel</i>	3,463,354	595,762	4,059,116	2,362,455	360,178	2,722,633	1,100,899.00	235,584.00	1,336,483.00	32%	40%	33%
<i>Non-Personnel</i>	239,308	41,165	280,473	336,124	37,347	373,471	-96,816.00	3818.00	-92,998.00	-40%	9%	-33%

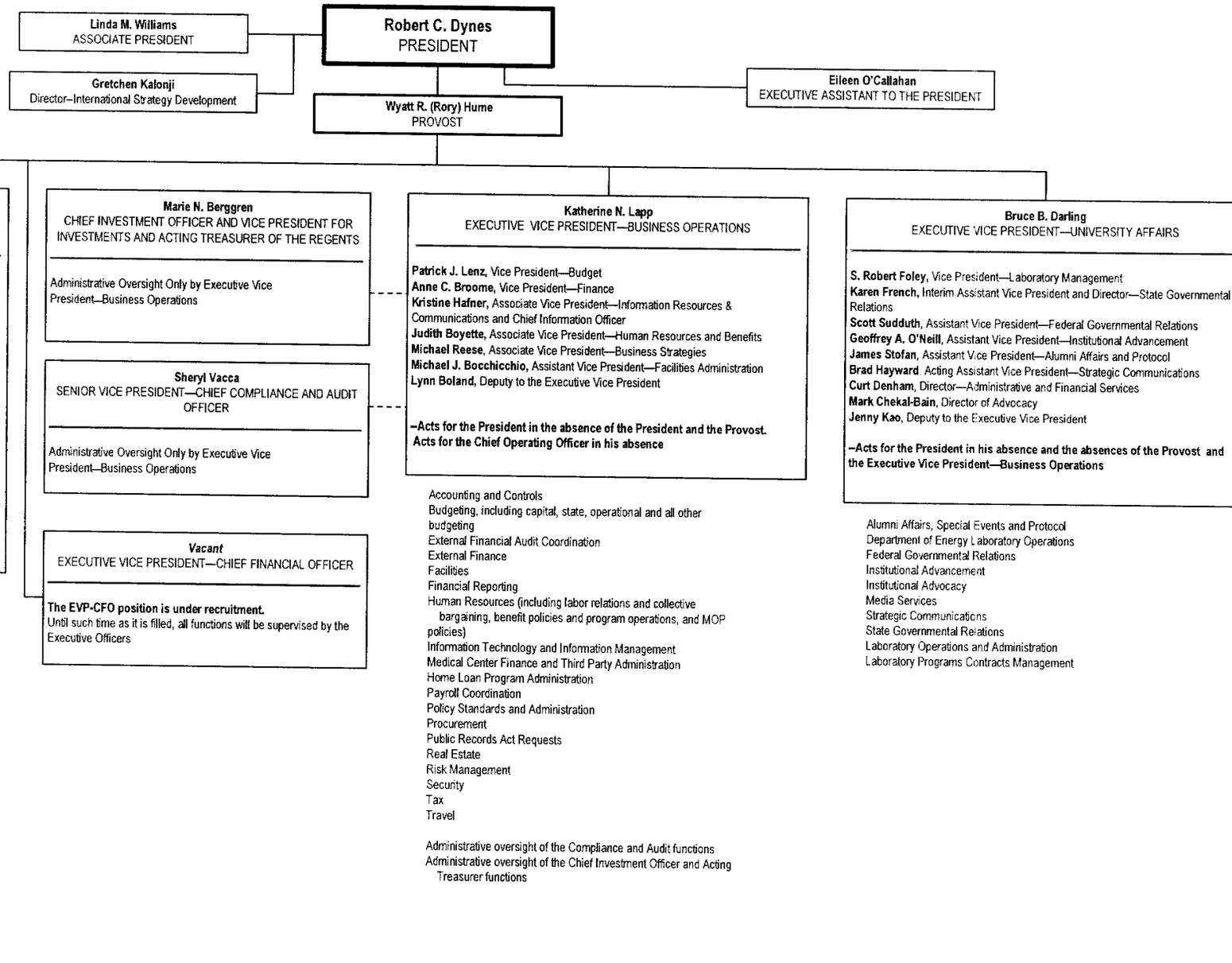
PRESIDENT'S IMMEDIATE OFFICE												
	FY 2007-08 (unadjusted)			Revised FY 2008-09			(FY 2007-08 to Revised)			(FY 2007-08 to Revised)		
	<i>Unrestricted</i>	<i>Restricted</i>	<i>Total</i>	<i>Unrestricted</i>	<i>Restricted</i>	<i>Total</i>	<i>Unrestricted</i>	<i>Restricted</i>	<i>Total</i>	<i>Unrestricted</i>	<i>Restricted</i>	<i>Total</i>
President's Immediate Office												
FTE	10.55	-	10.55	14.00	-	14.00	-3.45	-	-3.45	-33%	-	-33%
BUDGET	\$ 1,707,438	\$ -	\$ 1,707,438	\$ 2,497,935	\$ -	\$ 2,497,935	\$ (790,497)	\$ -	\$ (790,497)	-46%	-	-46%
<i>Personnel</i>	1,291,150	-	1,291,150	1,850,497	-	1,850,497	-559,347	0	-559,347	-43%	-	-43%
<i>Non-Personnel</i>	416,288	-	416,288	647,438	-	647,438	-231,150	0	-231,150	-56%	-	-56%
NEW CONSOLIDATED UNITS REPORTING TO THE PRESIDENT												
<i>Institutional Research</i>												
FTE	0	0	0	15	0	15	-15	0	-15	N/A	N/A	N/A
BUDGET				\$ 1,832,756	\$ -	\$ 1,832,756	\$ (1,832,756)	\$ -	\$ (1,832,756)	N/A	N/A	N/A
<i>Personnel</i>				1,815,256	-	1,815,256	(1,815,256)	-	(1,815,256)	N/A	N/A	N/A
<i>Non-Personnel</i>				17,500	-	17,500	(17,500)	-	(17,500)	N/A	N/A	N/A
<i>Issues Management Policy Analysis & Coordination</i>												
FTE	0	0	0	7	0	7	-7	0	-7	N/A	N/A	N/A
BUDGET				\$ 842,598	\$ -	\$ 842,598	\$ (842,598)	\$ -	\$ (842,598)	N/A	N/A	N/A
<i>Personnel</i>				832,598	-	832,598	(832,598)	-	(832,598)	N/A	N/A	N/A
<i>Non-Personnel</i>				10,000	-	10,000	(10,000)	-	(10,000)	N/A	N/A	N/A
PRESIDENT'S IMMEDIATE OFFICE TOTAL (WITH CONSOLIDATIONS)												
FTE	10.55	0.00	10.55	36.00	0.00	36.00	-25.45	0.00	-25.45			
BUDGET	\$ 1,707,438	\$ -	\$ 1,707,438	\$ 5,173,289	\$ -	\$ 5,173,289	\$ (3,465,851)	\$ -	\$ (3,465,851)			
<i>Personnel</i>	\$ 1,291,150	\$ -	\$ 1,291,150	\$ 4,498,351	\$ -	\$ 4,498,351	\$ (3,207,201)	\$ -	\$ (3,207,201)			
<i>Non-Personnel</i>	\$ 416,288	\$ -	\$ 416,288	\$ 674,938	\$ -	\$ 674,938	\$ (258,650)	\$ -	\$ (258,650)			

UNIVERSITY OF CALIFORNIA OFFICE OF THE PRESIDENT



----- Administrative Oversight by Executive Vice President—Business Operations

UNIVERSITY OF CALIFORNIA OFFICE OF THE PRESIDENT



F8**Office of the President****TO MEMBERS OF THE COMMITTEE ON FINANCE:****ACTION ITEM***For Meeting of May 7, 2009***APPROVAL OF FISCAL YEAR 2009-10 BUDGET FOR THE OFFICE OF THE PRESIDENT****RECOMMENDATION**

The President recommends that the Committee on Finance recommend to the Regents the following central administration spending plans for fiscal year 2009-10:

For the Office of the President (all funds, but excluding the Academic Senate and the Regents' direct reports), the President requests a fiscal year 2009-10 appropriation of \$224,664,685. This represents an expenditure reduction from the fiscal year 2008-09 budget, before reflecting program costs, fund flowthroughs, and recharges, of \$6.6 million, or 2.9 percent. Including adjustments narrated in the attached budget document, the total appropriations request is consistent with the request presented for discussion at the March meeting of the Committee on Finance.

For the departments reporting directly to the Regents, including the Ethics, Compliance and Audit Services unit; the General Counsel; the Secretary and Chief of Staff to the Regents; and the Treasurer's Office, the President requests a fiscal year 2009-10 appropriation of \$67,412,843. This is against the fiscal year 2008-09 budget, before reflecting program costs, fund flowthroughs, and recharges, of \$67,879,410. This represents a decrease of \$466,567.

The appropriations request for each Regents' direct report unit is broken down as follows:

- *Ethics, Compliance and Audit Services* – \$5,205,159 (5 percent decrease from FY 2008-09)
- *General Counsel* – \$39,287,860 (before recharges, a 2 percent decrease)
\$15,587,875 (net of recharges, a 5 percent decrease)
- *Secretary and Chief of Staff* – \$3,299,554 (11 percent decrease)
- *Treasurer's Office* – \$19,620,270 (5 percent increase)

For the Academic Senate, the President requests a fiscal year 2009-10 appropriation of \$1,233,726. This compares to the fiscal year 2008-09 budget, before reflecting program costs and fund flowthroughs, of \$1,235,368. This represents an expenditure decrease of \$1,642. The

total appropriations request is consistent with the request presented for discussion at the March meeting of the Committee on Finance.

BACKGROUND

The total appropriations request is consistent with the request presented for discussion at the March meeting of the Committee on Finance.

However, adjustments have been made within three Office of the President divisions:

- **Academic Affairs** proposes to further reduce FTE (3.5 FTE) but to increase its use of restricted funds (\$1.9 million) as part of its ongoing reorganization. In addition, it proposes a net reduction of about \$1 million in unrestricted funding, after correcting for over-commitments that became apparent in the reorganization of Student Affairs. It also accounts for a \$5 million addition to the flowthrough research budget, but which is offset by \$5 million in new funding.
- **Business Operations** proposes increases in FTE (2.0 FTE) and budget (\$1.6 million in restricted and unrestricted funding) to fund the newly-approved Chief Financial Officer (CFO) position and staff, as well as to fund a contingency for further restructuring and to augment Office of the President facility security.
- **External Relations** proposes a net increase of 0.5 FTE and additional unrestricted budget funding (\$238,000) to reflect its ongoing reorganization.

Full details are provided in the [attached summary](#) and department narratives.

These changes increase the Office of the President budget by \$4.6 million and decrease 3.0 FTE, and bring total budget reductions since fiscal year 2007-08 to \$62.2 million (a 17 percent overall decrease). FTE have been reduced by 631 (a 30 percent decrease). These reductions have been achieved through layoffs, vacancy and expenditure control measures, and the transfer of programs to campuses.

The Office of the President reorganization remains in process, and as a result the fiscal year 2009-10 budget may require additional adjustment. Executive Vice President Lapp will provide a written update report to the Regents on a quarterly basis.

Finally, there has been an important change in the manner in which the fiscal year 2009-10 budget has been reported versus the fiscal year 2008-09 budget: The fiscal year 2009-10 budget numbers are calculated from a larger base than that used to build the fiscal year 2008-09 budget. For instance, the total budget request for fiscal year 2009-10 is \$283.3 million, compared to the \$203.1 million request for fiscal year 2008-09. The reason for this is that the fiscal year 2008-09 budget reflects personnel and operating costs *net* of recharges; FY 2009-10 is based on personnel and operating costs *before* recharges. This change reflects the continuing effort by the Office of the President to further refine and improve its budget reporting and accountability systems. It will provide the basis for future year Office of the President budgets presented for discussion and action by the Regents.

**UNIVERSITY OF CALIFORNIA
OFFICE OF THE PRESIDENT
FISCAL YEAR 2009-10 APPROPRIATIONS**

**UNIVERSITY OF CALIFORNIA OFFICE OF THE PRESIDENT
FISCAL YEAR 2009-10 APPROPRIATIONS**

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SUMMARY

**UNIVERSITY OF CALIFORNIA OFFICE OF THE PRESIDENT
FISCAL YEAR 2009-10 APPROPRIATIONS**

SUMMARY

Overview

The University of California Office of the President is requesting Fiscal Year 2009-10 appropriations of **\$293,311,254**. This includes direct expenses in all funds, both unrestricted and restricted, for both the departments/units reporting to the President as well as the Regents' direct reports, but does not include recharges and program flowthroughs (such as research grants).

This represents a **\$62.2 million (17.5%)** total expenditure reduction (unrestricted and restricted funds) since the beginning of the Office of the President expenditure control and restructuring process in FY 2007-08, when its budget was an estimated **\$355.5 million**.

The request also reflects a continuing reduction in overall fulltime equivalent (FTE) employee count to **1,439**, a reduction of **630.83 FTE** -- over **30%** -- since FY 2007-08.

The most recent budget development process achieves the following additional savings and reductions:

- **\$7.06 million** in total expenditure reductions (unrestricted and restricted) since FY 2008-09
- Another **130.94 FTE** in Office of the President workforce reductions over FY 2008-09. Excluding the Academic Senate and the Regents' direct reports, Office of the President FTE is proposed to stand at **1,245.96** – a cumulative **33.5%** two-year reduction that is consistent with the long-term goal set forth to the Regents by the President last November.
- A **\$40 million** net reduction in unrestricted funds as part of an ongoing strategy to free up funding to meet other University priorities. This has been achieved in two ways: First, by reducing charges to unrestricted funds for a total of \$25 million through reductions in staff and expenses and through the shifting of certain expenditures, when appropriate, from unrestricted to restricted funds; and second, by transferring \$15 million in programs and staff from OP to the campuses.

Adjustments Since the March Budget

The requested budget has been amended in several places, to reflect continuing restructuring in the Office of the President. Details for these amendments appear in the departmental narratives and tables. The most significant items (but not including transfers within divisions) are noted below.

Academic Affairs

- A further net reduction of about 3.5 FTE as restructuring eliminated 10.7 FTE in old positions, transferred out 1.0 FTE to External Relations, and created 8.2 FTE in new positions
- A \$5 million addition to the flowthrough research budget, offset by \$5 million in new funding (i.e., no net change in the use of UCOP unrestricted resources)
- Net reduction in the division's use of unrestricted funds of about \$1 million, after correcting for over-commitments that became apparent in the reorganization of Student Affairs
- Net increase in the use of restricted funds of about \$1.9 million, generally attributable position upgrades, reclassifications and to consistent application of the UCOP policy of budgeting vacancies at the range midpoints

Business Operations

- A net increase of 2.0 FTE, reflecting the new Chief Financial Officer (CFO) position and his executive assistant
- A net increase of about \$1.36 million in unrestricted funds, about half of which is a contingency for further restructuring, with the remainder approximately split between enhanced facility security and partial salary and benefit coverage associated with the new CFO FTE (above)
- The budget of restricted funds is up by about \$219,000, also to provide partial compensation coverage for new positions in the CFO's office

External Relations

- A net increase of 0.5 FTE in Federal Government Relations plus application of the UCOP policy of budgeting vacancies at the range midpoints add about \$238,000 to the unrestricted budget

Budget Strategy

The proposed FY 2009-10 UCOP budget extends strategies launched a year ago to dramatically reduce Office of the President FTE and expenditures. These strategies include:

- Continuing savings from consolidations, reorganizations and other Office of the President restructuring initiatives involving units reporting directly to the President;
- Rigorous controls on expenditures for personnel, travel, entertainment and other expenses; and
- A rigorous review of restricted and unrestricted budget expenditures that has resulted in the identification of substantial additional dollars that can be deployed for other University priorities.

The cumulative reductions, including for all departments/units reporting to the President, Academic Senate and Regents' direct reports, are reflected in the following table:

Fiscal Year	Budget	FTE
FY 2007-08	\$355.5 million	2,070
FY 2008-09 (revised)	\$300.3 million	1,570
FY 2009-10	\$293.3 million	1,439
TOTAL REDUCTION (FY 2007-08 to FY 2009-10)	\$62.2 million	631

While the reductions are important and significant, equally important are new budget strategies designed to provide the President far greater flexibility in funding University priorities.

As described in the November revisions to the 2008-09 budget, and moving forward to FY 2009-10, UCOP now manages its budget in two broad categories: fund sources that are **unrestricted** and those that are **restricted**. The former category includes state funds, common funds, a small number of unrestricted endowments and several other distinct sources that can be used broadly and interchangeably on UCOP functions. Savings in this category can be easily reprogrammed to higher priorities, new initiatives or campus needs.

By contrast, restricted funds are limited to certain defined and often very narrow uses. Funds in this category may originate with grants, contracts (such as

management of the national laboratories), earmarked state appropriations for research or student services, auxiliary enterprises (such as UC Press), pension or other benefit funds, and many other sources. Savings in these funds generally cannot be reprogrammed outside their limited areas of use. The restricted budget will go up or down from year to year independent of the UCOP budget process.

With this distinction in mind, the most significant driver of the FY 2009-10 budget is a goal to reduce the use of **unrestricted** funds, thereby increasing the resources available for reprogramming to other priorities. The reduction is not across the board, however, but is applied strategically and differentially to the various divisions and departments in UCOP.

As UCOP developed its FY 2009-10 budget, this goal was to be accomplished in two distinct ways. One was to continue the process of base budget reductions through position eliminations or limitations on other expenses, including travel, purchasing and consultants. The other was, where legitimate, to transfer certain types of expenditures to restricted funds.

With this latter path in mind, continuing detailed review of the UCOP fiscal picture revealed many cases where unrestricted funds were paying for a range of functions that benefit restricted programs and where it would be appropriate to transfer a portion or all of the costs of those functions to the restricted sources. Examples of this process are reflected in the departmental discussions later in this document, in functions as diverse as institutional advancement, financial management, human resources, information technology and legal services. UCOP found in each of those areas significant opportunities to achieve cost recovery from restricted funds. Such cost recoveries do not result in overall budget reductions, but they do release substantial amounts of unrestricted funding.

As the fiscal year has progressed, the need to reduce the use of unrestricted funds has been amplified by the state's growing fiscal crisis and the likelihood of a significant reduction in state funding for the University.

In FY 2009-10, programs transferred from UCOP to the campuses will reduce the unrestricted budget by over \$15 million. After accounting for those transfers, the base budget in this document achieves an additional savings of over \$25 million in unrestricted funds, which represents about 12% of the base unrestricted funds. The net headcount for UCOP is also reduced by 131 FTE (87 through transfers, 44 through reductions).

The remaining sections of this summary provide brief updates on several continuing initiatives that arose in the FY 2008-09 budget and its November

revision and that have positively influenced achievement of the net savings noted in the above.

Further details on these initiatives will be found in the departmental summaries later in this document.

Finally it should be noted that the attached request reflects some very small numerical changes from the revised FY 2008-09 presented to the Regents in November 2008. These changes are the result of rigorous new budget processes being implemented by the new Office of the President Budget Office, which has identified previously unallocated expenditures that are now fully reported in the following overviews and department summaries.

Consolidated Units

During 2008 and early 2009, several consolidated units previously approved by the Board went into operation. By centralizing the various functions they represent, UCOP is able to provide better services at lower cost with at least 90 fewer staff overall. Current status on previously approved consolidated units is summarized below.

- **Technology Service Desk** has been in operation for almost a year, providing central support for UCOP's desktop information technology needs.
- **UCOP Budget Office** went into operation in July, to centralize fiscal planning, analysis, monitoring and control. It is nearing completion of UCOP's first budget reporting system.
- **Business Resource Center** began phasing into operations in August to handle the processing, recording and tracking of a range of business transactions, including purchasing, payroll and travel.
- **Communications Unit** has completed its reorganization and is now beginning to hire new staff that will provide the Office of the President with a consolidated communication function that formerly was dispersed throughout the organization.
- **Institutional Research** is finalizing its staffing and has begun to implement a coordinated approach to the reporting and analysis of institutional research.
- **Issues Management Policy Analysis and Coordination** is also in the process of recruiting for staff that, in addition to providing a consolidated

approach to legislative analysis, will proactively manage issues critical to the University.

In addition, the Office of the President has created two small units (three people each) to provide basic central administrative support to UCOP's largest departmental groupings, under the Provost and under the Executive Vice President for Business Operations. These Strategic Resource Coordination Teams handle local business, human resources and facilities needs across each division rather than duplicating these services in every individual department.

Major Reorganizations

As described in more detail in the divisional and departmental narratives later in this document, several reorganizations are under way that affect the FY 2009-10 budget. They are continuing even as this budget nears completion, though all of them are expected to be in place by July 1. However, their ongoing nature means that the final budget may involve further reallocations of resources.

Among the major reorganizations under way are the following:

- **Academic Affairs** at the divisional level, with functions moving between departments to improve operations; and one existing department (Student Affairs) being split into two, to provide better focus to a pair of core missions.
- A reorganization in **Agriculture & Natural Resources** (ANR) will consolidate certain high priority activities at UC Davis, achieving efficiencies in program administration.
- The transfer of the **Education Abroad Program** (EAP) from UCOP jurisdiction to management at a campus. EAP has long been physically located at UC Santa Barbara yet has remained a part of the UCOP organization and budget. The managerial and fiscal transfer of EAP will reduce UCOP's head count by about 80 positions and reduce the total UCOP budget by over \$25 million.

The division and departmental narratives later in this document provide more detail on these reorganizations and also discuss other, smaller reorganizations in a number of places throughout UCOP.

Expenditure Controls

Beginning in October 2008, UCOP implemented several new expenditure control initiatives, aimed primarily at eliminating non-essential travel, entertainment, high

value purchasing, and outside contracting. The results so far have been very successful, yielding at least \$6 million of savings in non-personnel expenditures on unrestricted funds, a substantial portion of which is in the travel category.

These controls augment earlier restrictions on the filling of staff vacancies. As a result, we expect to maintain a vacancy rate throughout the year of at least 10%, resulting in an in-year savings of at least \$9 million in personnel expenditures on unrestricted funds.

Conclusion

The Office of the President has continued to dramatically reduce FTE and expenditures through a multi-pronged strategic approach that reflects the following:

- A coordinated effort to streamline essential services, both to make them more efficient as well as to improve their effectiveness;
- A functional analysis to determine whether the Office of the President adds value to the administration of certain educational and research programs. If it does not, these programs are being targeted for transfer to third party vendors or to the campuses;
- A review to identify unnecessary or obsolete programs, and to capture the resulting savings; and
- A recognition that, in light of the State's continuing budget difficulties, the Office of the President has an obligation to identify unrestricted dollars that can be diverted from administrative uses to support the vital teaching and research missions of the University.

These actions, taken together, have resulted in a dramatically smaller and more efficient Office of the President – one better equipped to meet the strategic challenges facing the University of California at this pivotal time in its history. Yet there is also recognition that still more can and will be done to identify additional efficiencies and improve performance. Future appropriations requests will reflect this ongoing and continuous change process.

BUDGET TABLES

University of California Office of the President
FY 2009-10 Appropriations Proposal

Roll-up UCOP	REVISED FY 2008-09 Budget After Mid Year Reductions				PROPOSED FY 2009-10 Budget				ADJUSTMENTS against FY 2008-09 Budget to derive FY 2009-10 Budget			
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
Salary & Benefits by Functional Unit												
1 Academic Affairs	688.15	\$ 34,618,652	\$ 23,356,672	\$ 57,975,324	568.61	\$ 28,540,490	\$ 24,014,267	\$ 52,554,757	-119.54	\$ (6,078,162)	\$ 657,595	\$ (5,420,567)
2 Business Operations	550.75	\$ 24,833,474	\$ 28,370,334	\$ 53,303,808	547.35	\$ 22,355,550	\$ 31,947,459	\$ 54,303,009	-3.40	\$ (2,577,924)	\$ 3,577,125	\$ 999,201
3 Regents' Direct Reports	190.80	\$ 15,692,260	\$ 14,302,599	\$ 29,994,859	183.20	\$ 13,787,684	\$ 16,413,098	\$ 30,200,782	-7.60	\$ (1,904,576)	\$ 2,110,499	\$ 205,923
4 Academic Senate	10.00	\$ 760,726	\$ -	\$ 760,726	10.00	\$ 760,726	\$ -	\$ 760,726	0.00	\$ -	\$ -	\$ -
5 External Relations	60.50	\$ 6,741,325	\$ 582,642	\$ 7,323,967	60.00	\$ 6,765,447	\$ 918,270	\$ 7,683,717	-0.50	\$ 24,122	\$ 335,628	\$ 359,750
6 Health and Science Services	20.00	\$ 2,362,456	\$ 360,178	\$ 2,722,634	20.00	\$ 2,238,201	\$ 484,432	\$ 2,722,633	0.00	\$ (124,255)	\$ 124,254	\$ (1)
7 Laboratory Management	13.90	\$ -	\$ 3,460,733	\$ 3,460,733	13.00	\$ -	\$ 3,015,976	\$ 3,015,976	-0.90	\$ -	\$ (444,757)	\$ (444,757)
8 President's Immediate Office	36.00	\$ 4,726,351	\$ -	\$ 4,726,351	37.00	\$ 5,255,843	\$ -	\$ 5,255,843	1.00	\$ 529,492	\$ -	\$ 529,492
Subtotal	1,570.10	\$ 89,835,244	\$ 70,433,158	\$ 160,268,402	1,439.16	\$ 79,703,941	\$ 76,793,502	\$ 156,497,443	-130.94	\$ (10,131,303)	\$ 6,360,344	\$ (3,770,959)
Operating Expenses & Support Costs												
1 Consultants & Professional Services		\$ 13,707,596	\$ 13,118,689	\$ 26,826,085		\$ 7,061,915	\$ 16,795,281	\$ 23,857,196		\$ (6,645,481)	\$ 3,676,592	\$ (2,968,889)
2 Meetings & Related Costs		\$ 2,761,838	\$ 1,055,281	\$ 3,817,119		\$ 2,435,211	\$ 1,462,665	\$ 3,897,876		\$ (326,627)	\$ 407,384	\$ 80,757
3 Legal Costs		\$ 4,725,944	\$ 20,854,163	\$ 25,580,107		\$ 599,661	\$ 25,676,890	\$ 26,276,551		\$ (4,126,283)	\$ 4,822,727	\$ 696,444
4 Travel Related		\$ 2,801,776	\$ 2,883,931	\$ 5,685,707		\$ 2,128,663	\$ 2,844,257	\$ 4,972,920		\$ (673,113)	\$ (39,674)	\$ (712,787)
5 Utilities & Space Facilities Rental/Lease		\$ 4,021,391	\$ 5,203,790	\$ 9,225,181		\$ 2,030,413	\$ 5,452,894	\$ 7,483,307		\$ (1,990,978)	\$ 249,104	\$ (1,741,874)
6 Computer, Office Equip/Supplies/Svc Maint		\$ 8,406,855	\$ 15,353,400	\$ 23,760,255		\$ 7,664,382	\$ 13,841,189	\$ 21,505,571		\$ (742,473)	\$ (1,512,211)	\$ (2,254,684)
7 Outside Services & Experts		\$ 5,676,202	\$ 9,356,856	\$ 15,033,058		\$ 1,601,223	\$ 14,269,835	\$ 15,871,058		\$ (4,074,979)	\$ 4,912,979	\$ 838,000
8 Other Office		\$ 12,407,411	\$ 10,415,937	\$ 22,823,348		\$ 5,247,843	\$ 8,624,119	\$ 13,871,962		\$ (7,159,568)	\$ (1,791,818)	\$ (8,951,386)
Royalties & Cost of Sales (UC Press)		\$ -	\$ 775,847	\$ 775,847		\$ -	\$ 9,967,000	\$ 9,967,000		\$ -	\$ -	\$ -
Book Collection (California Digital Library)		\$ 2,883,853	\$ 654,617	\$ 3,538,470		\$ 5,949,138	\$ -	\$ 5,949,138		\$ 3,065,285	\$ (654,617)	\$ 2,410,668
Unallocated S&E (local transfers and new prog)		\$ 159,178	\$ 448,764	\$ 607,942		\$ 281,678	\$ 448,764	\$ 730,442		\$ 122,500	\$ -	\$ 122,500
UCSF HR Affiliation Agreement		\$ 948,008	\$ 1,482,782	\$ 2,430,790		\$ 948,008	\$ 1,482,782	\$ 2,430,790		\$ -	\$ -	\$ -
Subtotal		\$ 58,499,852	\$ 81,604,057	\$ 140,103,909		\$ 35,948,135	\$ 100,865,676	\$ 136,813,811		\$ (22,551,717)	\$ 19,261,619	\$ (3,290,088)
Personnel & Operating Costs Before Recharges		\$ 148,335,096	\$ 152,037,215	\$ 300,372,311		\$ 115,652,076	\$ 177,689,178	\$ 293,311,254		\$ (32,683,020)	\$ 25,621,963	\$ (7,061,057)
Recharges												
Recharges-External		\$ -	\$ (24,136,503)	\$ (24,136,503)		\$ -	\$ (22,835,922)	\$ (22,835,922)		\$ -	\$ 1,300,581	\$ 1,300,581
Recharges-UCOP		\$ -	\$ (22,032,307)	\$ (22,032,307)		\$ -	\$ (22,245,821)	\$ (22,245,821)		\$ -	\$ (213,514)	\$ (213,514)
Subtotal		\$ -	\$ (46,168,810)	\$ (46,168,810)		\$ -	\$ (45,081,743)	\$ (45,081,743)		\$ -	\$ 1,087,067	\$ 1,087,067
Personnel & Operating Costs Net of Recharges		\$ 148,335,096	\$ 105,868,405	\$ 254,203,501		\$ 115,652,076	\$ 132,577,435	\$ 248,229,511		\$ (32,683,020)	\$ 26,709,030	\$ (5,973,990)
Program Costs & Fund Flowthru												
Academic Affairs		\$ 56,062,551	\$ 64,041,717	\$ 120,104,268		\$ 54,268,142	\$ 91,926,881	\$ 146,195,023		\$ (1,794,409)	\$ 27,885,164	\$ 26,090,755
Business Operations		\$ 1,369,651	\$ 5,679,136	\$ 7,048,787		\$ 70,557	\$ 6,925,252	\$ 6,995,809		\$ (1,299,094)	\$ 1,246,116	\$ (52,978)
Health and Science Services		\$ -	\$ -	\$ -		\$ 900,000	\$ 883,320	\$ 1,783,320		\$ 900,000	\$ 883,320	\$ 1,783,320
Others		\$ 900,000	\$ -	\$ 900,000		\$ 686,763	\$ -	\$ 686,763		\$ (213,237)	\$ -	\$ (213,237)
Subtotal		\$ 58,332,202	\$ 69,720,853	\$ 128,053,055		\$ 55,925,462	\$ 99,735,453	\$ 155,660,915		\$ (2,406,740)	\$ 30,014,600	\$ 27,607,860
Grand Total		\$ 206,667,298	\$ 175,589,258	\$ 382,256,556	1,439.16	\$ 171,577,538	\$ 232,312,888	\$ 403,890,426	-130.94	\$ (35,089,760)	\$ 56,723,630	\$ 21,633,870

University of California Office of the President
 FY 2009-10 Appropriations Proposal

Roll-up UCOP (excluding Regents' Direct Reports and the Academic Senate)	REVISED FY 2008-09 Budget After Mid Year Reductions				PROPOSED FY 2009-10 Budget				ADJUSTMENTS against FY 2008-09 Budget to derive FY 2009-10 Budget			
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
Salary & Benefits by Functional Unit												
1 Academic Affairs	688.15	\$ 34,618,652	\$ 23,356,672	\$ 57,975,324	568.61	\$ 28,540,490	\$ 24,014,267	\$ 52,554,757	-119.54	\$ (6,078,162)	\$ 657,595	\$ (5,420,567)
2 Business Operations	550.75	\$ 24,933,474	\$ 28,370,334	\$ 53,303,808	547.35	\$ 22,355,550	\$ 31,947,459	\$ 54,303,009	-3.40	\$ (2,577,924)	\$ 3,577,125	\$ 999,201
5 External Relations	60.50	\$ 6,741,325	\$ 582,642	\$ 7,323,967	60.00	\$ 6,765,447	\$ 918,270	\$ 7,683,717	-0.50	\$ 24,122	\$ 335,628	\$ 359,750
6 Health and Science Services	20.00	\$ 2,362,456	\$ 360,178	\$ 2,722,634	20.00	\$ 2,238,201	\$ 484,432	\$ 2,722,633	0.00	\$ (124,255)	\$ 124,254	\$ (1)
7 Laboratory Management	13.90	\$ -	\$ 3,460,733	\$ 3,460,733	13.00	\$ -	\$ 3,015,976	\$ 3,015,976	-0.90	\$ -	\$ (444,757)	\$ (444,757)
8 President's Immediate Office	36.00	\$ 4,726,351	\$ -	\$ 4,726,351	37.00	\$ 5,255,843	\$ -	\$ 5,255,843	1.00	\$ 529,492	\$ -	\$ 529,492
Subtotal	1,369.30	\$ 73,382,258	\$ 56,130,559	\$ 129,512,817	1,245.96	\$ 65,155,531	\$ 60,380,404	\$ 125,535,935	-123.34	\$ (8,226,727)	\$ 4,249,845	\$ (3,976,882)
Operating Expenses & Support Costs												
1 Consultants & Professional Services		\$ 12,199,674	\$ 12,408,142	\$ 24,607,816		\$ 5,604,193	\$ 16,495,003	\$ 22,099,196		\$ (6,595,481)	\$ 4,086,861	\$ (2,508,620)
2 Meetings & Related Costs		\$ 1,075,437	\$ 1,019,418	\$ 2,094,855		\$ 950,362	\$ 1,457,131	\$ 2,407,493		\$ (125,075)	\$ 437,713	\$ 312,638
3 Legal Costs		\$ 596,947	\$ 914,834	\$ 1,511,781		\$ 509,661	\$ 1,166,905	\$ 1,676,566		\$ (87,286)	\$ 252,071	\$ 164,785
4 Travel Related		\$ 2,155,242	\$ 2,271,830	\$ 4,427,072		\$ 1,594,530	\$ 1,928,575	\$ 3,523,105		\$ (560,712)	\$ (343,255)	\$ (903,967)
5 Utilities & Space Facilities Rental/Lease		\$ 4,021,391	\$ 4,589,293	\$ 8,610,684		\$ 2,030,413	\$ 4,690,994	\$ 6,721,307		\$ (1,990,978)	\$ 101,601	\$ (1,889,377)
6 Computer, Office Equip/Supplies/Svc Maint		\$ 8,242,939	\$ 13,522,649	\$ 21,765,588		\$ 7,455,909	\$ 13,306,469	\$ 20,762,378		\$ (787,030)	\$ (216,180)	\$ (1,003,210)
7 Outside Services & Expens		\$ 5,551,656	\$ 5,051,885	\$ 10,603,541		\$ 1,528,223	\$ 9,485,835	\$ 11,014,058		\$ (4,023,433)	\$ 4,433,950	\$ 410,517
8 Other Office		\$ 11,697,262	\$ 9,073,068	\$ 20,770,330		\$ 4,532,638	\$ 7,314,639	\$ 11,847,277		\$ (7,164,624)	\$ (1,758,429)	\$ (8,923,053)
Royalties & Cost of Sales (UC Press)		\$ -	\$ 775,847	\$ 775,847		\$ -	\$ 9,967,000	\$ 9,967,000		\$ -	\$ -	\$ -
Book Collection (California Digital Library)		\$ 2,883,853	\$ 654,617	\$ 3,538,470		\$ 5,949,138	\$ -	\$ 5,949,138		\$ 3,065,285	\$ (654,617)	\$ 2,410,668
Unallocated S&E (local transfers and new prog)		\$ 159,178	\$ 448,764	\$ 607,942		\$ 281,678	\$ 448,764	\$ 730,442		\$ 122,500	\$ -	\$ 122,500
UCSF HR Affiliation Agreement		\$ 948,008	\$ 1,482,782	\$ 2,430,790		\$ 948,008	\$ 1,482,782	\$ 2,430,790		\$ -	\$ -	\$ -
Subtotal	\$ 49,531,587	\$ 52,213,129	\$ 101,744,716	\$ 122,913,845	\$ 31,384,753	\$ 67,743,997	\$ 99,128,750	\$ 118,146,834	\$ (18,146,834)	\$ 15,530,868	\$ (2,615,966)	
Personnel & Operating Costs Before Recharges												
Recharges												
Recharges-External		\$ -	\$ (9,442,512)	\$ (9,442,512)		\$ -	\$ (8,141,931)	\$ (8,141,931)		\$ -	\$ 1,300,581	\$ 1,300,581
Recharges-UCOP		\$ -	\$ (13,026,313)	\$ (13,026,313)		\$ -	\$ (13,239,827)	\$ (13,239,827)		\$ -	\$ (213,514)	\$ (213,514)
Subtotal		\$ -	\$ (22,468,825)	\$ (22,468,825)		\$ -	\$ (21,381,758)	\$ (21,381,758)		\$ -	\$ 1,087,067	\$ 1,087,067
Personnel & Operating Costs Net of Recharges												
Program Costs & Fund Flowthru												
Academic Affairs		\$ 56,062,551	\$ 64,041,717	\$ 120,104,268		\$ 54,268,142	\$ 91,926,881	\$ 146,195,023		\$ (1,794,409)	\$ 27,885,164	\$ 26,090,755
Business Operations		\$ 1,369,651	\$ 5,679,136	\$ 7,048,787		\$ 70,557	\$ 6,925,252	\$ 6,995,809		\$ (1,299,094)	\$ 1,246,116	\$ (52,978)
Health and Science Services		\$ -	\$ -	\$ -		\$ 900,000	\$ 883,320	\$ 1,783,320		\$ 900,000	\$ 883,320	\$ 1,783,320
Others		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal	\$ 57,432,202	\$ 69,720,853	\$ 127,153,055	\$ 180,346,047	\$ 55,238,699	\$ 99,735,453	\$ 154,974,152	\$ 203,282,927	\$ (2,193,503)	\$ 30,014,600	\$ 27,821,097	
Grand Total	1,369.30	\$ 180,346,047	\$ 155,595,716	\$ 335,941,763	1,245.96	\$ 151,778,983	\$ 206,478,096	\$ 358,257,079	-123.34	\$ (28,567,064)	\$ 50,882,380	\$ 22,315,316

**University of California Office of the President
FY 2009-10 Appropriations Proposal**

DIVISION: Regents' Direct Reports		REVISED FY 2009-09 Budget After Mid Year Reductions					PROPOSED FY 2009-10 Budget					ADJUSTMENTS against FY 2008-09 Budget to derive FY 2009-10 Budget				
		FTE	Unrestricted	Restricted	Total Costs		FTE	Unrestricted	Restricted	Total Costs		FTE	Unrestricted	Restricted	Total Costs	
Salary & Benefits by Functional Unit																
1	Office of Ethics, Compliance and Audit Services	23.30	\$ 3,358,359	\$ -	\$ 3,358,359	23.30	\$ 3,358,359	\$ -	\$ 3,358,359		0.00	\$ -	\$ -	\$ -		
2	Office of General Counsel	92.50	\$ 10,578,652	\$ 3,365,535	\$ 13,944,187	85.90	\$ 8,804,151	\$ 4,641,828	\$ 13,445,979		-6.60	\$ (1,774,501)	\$ 1,276,293	\$ (498,208)		
3	Office of the Secretary / Chief of Staff	13.00	\$ 1,755,249	\$ -	\$ 1,755,249	12.00	\$ 1,625,174	\$ -	\$ 1,625,174		-1.00	\$ (130,075)	\$ -	\$ (130,075)		
4	Treasurer and Chief Investment Officer	62.00	\$ -	\$ 10,937,064	\$ 10,937,064	62.00	\$ -	\$ 11,771,270	\$ 11,771,270		0.00	\$ -	\$ 834,206	\$ 834,206		
	Subtotal	190.80	\$ 15,692,260	\$ 14,302,599	\$ 29,994,859	183.20	\$ 13,787,684	\$ 16,413,098	\$ 30,200,782		-7.60	\$ (1,904,576)	\$ 2,110,499	\$ 205,923		
Operating Expenses & Support Costs																
1	Consultants & Professional Services		\$ 1,502,722	\$ 710,547	\$ 2,213,269		\$ 1,452,722	\$ 300,278	\$ 1,753,000			\$ (50,000)	\$ (410,269)	\$ (460,269)		
2	Meetings & Related Costs		\$ 1,604,901	\$ 35,863	\$ 1,640,764		\$ 1,404,849	\$ 5,534	\$ 1,410,383			\$ (200,052)	\$ (30,329)	\$ (230,381)		
3	Legal Costs		\$ 4,128,997	\$ 19,939,329	\$ 24,068,326		\$ 90,000	\$ 24,509,985	\$ 24,599,985			\$ (4,038,997)	\$ 4,570,656	\$ 531,659		
4	Travel Related		\$ 293,792	\$ 612,101	\$ 905,893		\$ 180,133	\$ 915,682	\$ 1,095,815			\$ (113,659)	\$ 303,581	\$ 189,922		
5	Utilities & Space Facilities Rental/Lease		\$ -	\$ 614,497	\$ 614,497		\$ -	\$ 762,000	\$ 762,000			\$ -	\$ 147,503	\$ 147,503		
6	Computer, Office Equip/Supplies/Svc Maint		\$ 148,916	\$ 1,830,751	\$ 1,979,667		\$ 193,473	\$ 534,720	\$ 728,193			\$ 44,557	\$ (1,296,031)	\$ (1,251,474)		
7	Outside Services & Experts		\$ 114,146	\$ 4,304,971	\$ 4,419,117		\$ 64,000	\$ 4,784,000	\$ 4,848,000			\$ (50,146)	\$ 479,029	\$ 428,883		
8	Other Office		\$ 700,149	\$ 1,342,869	\$ 2,043,018		\$ 705,205	\$ 1,309,480	\$ 2,014,685			\$ 5,056	\$ (33,389)	\$ (28,333)		
	Subtotal		\$ 8,493,623	\$ 29,390,928	\$ 37,884,551		\$ 4,090,382	\$ 33,121,679	\$ 37,212,061			\$ (4,403,241)	\$ 3,730,751	\$ (672,490)		
Personnel & Operating Costs Before Recharges			\$ 24,185,883	\$ 43,693,527	\$ 67,879,410		\$ 17,878,066	\$ 49,534,777	\$ 67,412,843			\$ (6,307,817)	\$ 5,841,250	\$ (466,567)		
Recharges																
	Recharges-External		\$ -	\$ (14,693,991)	\$ (14,693,991)		\$ -	\$ (14,693,991)	\$ (14,693,991)			\$ -	\$ -	\$ -		
	Recharges-UUCOP		\$ -	\$ (9,005,994)	\$ (9,005,994)		\$ -	\$ (9,005,994)	\$ (9,005,994)			\$ -	\$ -	\$ -		
	Subtotal		\$ -	\$ (23,699,985)	\$ (23,699,985)		\$ -	\$ (23,699,985)	\$ (23,699,985)			\$ -	\$ -	\$ -		
Personnel & Operating Costs Net of Recharges			\$ 24,185,883	\$ 19,993,542	\$ 44,179,425		\$ 17,878,066	\$ 25,834,792	\$ 43,712,858			\$ (6,307,817)	\$ 5,841,250	\$ (466,567)		
Program Costs & Fund Flowthru Consolidated																
	Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -			\$ -	\$ -	\$ -		
	Grand Total	190.80	\$ 24,185,883	\$ 19,993,542	\$ 44,179,425	183.20	\$ 17,878,066	\$ 25,834,792	\$ 43,712,858		-7.60	\$ (6,307,817)	\$ 5,841,250	\$ (466,567)		

**University of California Office of the President
FY 2009-10 Appropriations Proposal**

Department: Academic Senate		REVISED FY 2008-09 Budget After Mid Year Reductions						PROPOSED FY 2009-10 Budget						ADJUSTMENTS against FY 2008-09 Budget to derive FY 2009-10 Budget					
		FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs		
Salary & Benefits by Functional Unit		10.00	\$ 760,726	\$ -	\$ 760,726	10.00	\$ 760,726	\$ -	\$ 760,726	10.00	\$ 760,726	\$ -	\$ 760,726	0.00	\$ -	\$ -	\$ -		
1 Academic Senate Committee Support		10.00	\$ 760,726	\$ -	\$ 760,726	10.00	\$ 760,726	\$ -	\$ 760,726	10.00	\$ 760,726	\$ -	\$ 760,726	0.00	\$ -	\$ -	\$ -		
Subtotal		10.00	\$ 760,726	\$ -	\$ 760,726	10.00	\$ 760,726	\$ -	\$ 760,726	10.00	\$ 760,726	\$ -	\$ 760,726	0.00	\$ -	\$ -	\$ -		
Operating Expenses & Support Costs																			
1 Consultants & Professional Services			\$ 5,000	\$ -	\$ 5,000		\$ 5,000	\$ -	\$ 5,000		\$ 5,000	\$ -	\$ 5,000		\$ -	\$ -	\$ -		
2 Meetings & Related Costs			\$ 81,500	\$ -	\$ 81,500		\$ 80,000	\$ -	\$ 80,000		\$ 80,000	\$ -	\$ 80,000		\$ -	\$ -	\$ (1,500)		
3 Legal Costs			\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		
4 Travel Related			\$ 352,742	\$ -	\$ 352,742		\$ 354,000	\$ -	\$ 354,000		\$ 354,000	\$ -	\$ 354,000		\$ 1,258	\$ -	\$ 1,258		
5 Utilities & Space Facilities Rental/Lease			\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		
6 Computer/Office Equip/Supplies/Svc Maint			\$ 15,000	\$ -	\$ 15,000		\$ 15,000	\$ -	\$ 15,000		\$ 15,000	\$ -	\$ 15,000		\$ -	\$ -	\$ -		
7 Outside Services & Experts			\$ 10,400	\$ -	\$ 10,400		\$ 9,000	\$ -	\$ 9,000		\$ 9,000	\$ -	\$ 9,000		\$ (1,400)	\$ -	\$ (1,400)		
8 Other Office			\$ 10,000	\$ -	\$ 10,000		\$ 10,000	\$ -	\$ 10,000		\$ 10,000	\$ -	\$ 10,000		\$ -	\$ -	\$ -		
Subtotal			\$ 474,642	\$ -	\$ 474,642		\$ 473,000	\$ -	\$ 473,000		\$ 473,000	\$ -	\$ 473,000		\$ (1,642)	\$ -	\$ (1,642)		
Personnel & Operating Costs Before Recharge			\$ 1,235,368	\$ -	\$ 1,235,368		\$ 1,233,726	\$ -	\$ 1,233,726		\$ 1,233,726	\$ -	\$ 1,233,726		\$ (1,642)	\$ -	\$ (1,642)		
Recharges																			
Recharges-External			\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		
Recharges-UCOP			\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		
Subtotal			\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		
Total Personnel & Operating Costs After Recharges			\$ 1,235,368	\$ -	\$ 1,235,368		\$ 1,233,726	\$ -	\$ 1,233,726		\$ 1,233,726	\$ -	\$ 1,233,726		\$ (1,642)	\$ -	\$ (1,642)		
Program Costs & Fund Flowthru																			
Faculty Compensation/Reimbursements at Campus			\$ 900,000	\$ -	\$ 900,000		\$ 686,763	\$ -	\$ 686,763		\$ 686,763	\$ -	\$ 686,763		\$ (213,237)	\$ -	\$ (213,237)		
Subtotal			\$ 900,000	\$ -	\$ 900,000		\$ 686,763	\$ -	\$ 686,763		\$ 686,763	\$ -	\$ 686,763		\$ (213,237)	\$ -	\$ (213,237)		
Grand Total		10.00	\$ 2,135,368	\$ -	\$ 2,135,368	10.00	\$ 1,920,489	\$ -	\$ 1,920,489	10.00	\$ 1,920,489	\$ -	\$ 1,920,489	0.00	\$ (214,879)	\$ -	\$ (214,879)		

ACADEMIC AFFAIRS DIVISION

Immediate Office

Academic Personnel

Agriculture and Natural Resources

Office of Research & Graduate Studies

Academic Planning, Programs & Coordination

Students Affairs and Admissions

Education Partnerships

ACADEMIC AFFAIRS DIVISION

In FY 2009-10, the Division of Academic Affairs will restructure departments according to the plan outlined in Interim Provost Grey's January 13, 2009 letter to members of the division. All departments in Academic Affairs are affected by the restructuring plan, but with varying impact to their respective budgets. In some cases, the budget and FTE included in this 09-10 proposal represent placeholders while the details and composition of new and reorganized units are worked out. Below are the most significant budgetary changes to departmental budgets due to the Division restructuring.

Overall, the Division proposes a decrease to its unrestricted funds budget by \$21,641,305 or 18%, and 119.54 FTE. Of this amount, \$6,832,945 will be a reduction attributed to restructuring and other spending plan changes, and \$14,808,360 will be attributed to programs or functions being moved out of UCOP. These totals include revisions to the original 09-10 budgets proposed in March, and the individual department narratives will detail these changes.

Office of Research and Graduate Studies

The Office of Research and Graduate Studies (ORGS) will continue efforts begun in FY 2008-09 to reorganize and consolidate functions found to be replicated or overlapping among multiple programs or units under its purview. These efforts will result in streamlined operations and, therefore, budgetary savings to the University, as well as enhance the coordination of UC research goals and priorities.

As a result of the ORGS reorganization, the FY 2009-10 budget will be reduced by 9.63 FTE, \$708,218 in unrestricted funds and \$1,633,057 restricted funds. At the same time, however, the budget for research grants to be awarded to UC faculty will increase by \$33,524,687 total.

In addition, further reductions to the ORGS budget will be achieved through the transfer of the Welfare Policy Research Project, and the transfer of UC Center at Sacramento and UC Washington Center programs to Academic Planning, Programs and Coordination. These transfers will result in a reduction of \$1,598,441 to the unrestricted budget, a reduction of \$2,035,077 to the restricted budget and 27.93 total FTE.

Academic Planning, Programs and Coordination

In FY 2009-10, the Academic Planning, Programs and Coordination (APPC) department (formerly Academic Information and Strategic Services) will undergo several program oversight changes.

First, the Education Abroad Program (EAP) will be transferred to a campus, representing the most significant budgetary change to Academic Planning,

Programs and Coordination. In addition, EAP is currently undergoing reorganizational efforts within, coupled with a transition to a more fee based model. These efforts will result in net savings to the University with appropriations to be redirected to the campuses.

To further realign UCOP programs with departmental missions, the UC Center at Sacramento and UC Washington Center programs will be moved under Academic Programs, Planning and Coordination. These programs are academic and instructional based in focus and align best with APPC's mission to provide "leadership and oversight for academic programs that are implemented on a systemwide basis." In addition, the Science and Math Initiative, California State Summer School for Mathematics and Science program (COSMOS) and California Subject Matter Projects, all student academic preparation programs, will be transferred out of APPC to Education Partnerships. The transfer of these programs, including EAP, will result in a net reduction to the APPC budget of \$12,195,765 unrestricted funds, \$9,531,681 restricted funds and 67.68 FTE.

Beyond budget reductions attributed to program transfers, the unrestricted funds budget for APPC will decrease by \$15,173,308, primarily due to the reclassification of a portion of UC Press expenses from unrestricted to restricted, and the reduction of program flowthrough costs offset by increases for new program initiatives. The restricted funds budget will thereby increase by \$13,007,099 primarily due to this reclassification of UC Press expenses, as well as an increase in program flowthrough costs.

Education Partnerships

Education Partnerships is a new UCOP department "responsible for systemwide and intersegmental policies and programs that engage California P-20 educational systems to promote student achievement and that strengthen the continuum of teaching, learning and leadership to ensure a full range of postsecondary options for students." Among other functions, this new department will focus on UC's partnerships with other segments of the California educational system, including K-12 and community colleges.

The majority of the Education Partnerships budget will be transferred from Student Affairs and Admissions, namely the Student Academic Preparation and Educational Partnerships (SAPEP) programs. In addition, the Science and Math Initiative, COSMOS and the California Subject Matter Projects are transferred from Academic Planning, Programs and Coordination. The total budget for this new department is \$31,067,692 and 83.96 FTE, \$30,324,849 and 78.11 FTE of which will be transferred directly or repurposed from Student Affairs and Admissions or APPC. The budget for Education Partnerships will consist of \$4,330,399 unrestricted funds and \$26,737,293 restricted funds. 67% of the spending for 09-10 is attributed to program costs and fund flowthrough.

Student Affairs and Admissions

With the transfer of SAPEP programs to Education Partnerships, Student Affairs and Admissions will focus on student services and admissions and will be responsible for the “systemwide enrollment and success of a diverse, highly qualified student body.” Student Affairs and Admissions will achieve further reductions in personnel and operating costs of \$681,178 unrestricted funds, \$892,774 of restricted funds and 17.73 FTE. In addition, the unrestricted funds budget for program costs will increase by about \$5.5 million due to an increase and reclassification of certain program costs from restricted funds.

Agriculture and Natural Resources

In response to an internal review of Agriculture and Natural Resources (ANR) administrative services, ANR will transfer its staff human resources and contract and grant functions from UCOP to its programmatic location on UC Davis campus for FY 2009-10. These functions will also be consolidated among ANR’s statewide and regional programs to the programmatic location at Davis. The review and implementation of ANR administrative services is ongoing, but, coupled with other personnel changes will result in a net reduction of 5.00 FTE and \$392,880 to the unrestricted funds budget at UCOP in FY 2009-10. In addition, the budget for restricted funds will be reduced by \$74,281.

University of California Office of the President
FY 2009-10 Appropriations Proposal

DIVISION: Academic Affairs	REVISED FY 2008-09 Budget After Mid Year Reductions				PROPOSED FY 2009-10 Budget				ADJUSTMENTS against FY 2008-09 Budget to derive FY 2009-10 Budget			
	FTE	Unrestricted	Restricted	Total Cost	FTE	Unrestricted	Restricted	Total Cost	FTE	Unrestricted	Restricted	Total Costs
Salary & Benefits by Department												
1 Immediate Office of Academic Affairs	12.43	\$ 994,720	\$ 333,743	\$ 1,328,463	9.00	\$ 1,769,903	\$ -	\$ 1,769,903	-3.43	\$ 775,183	\$ (333,743)	\$ 441,440
2 Academic Personnel	13.00	\$ 1,412,523	\$ 81,131	\$ 1,493,654	11.00	\$ 1,395,499	\$ -	\$ 1,395,499	-2.00	\$ (17,024)	\$ (81,131)	\$ (98,155)
3 Agriculture and Natural Resources	46.48	\$ 4,293,864	\$ 450,979	\$ 4,744,843	41.48	\$ 3,900,974	\$ 376,688	\$ 4,277,672	-5.00	\$ (392,880)	\$ (74,281)	\$ (467,161)
4 Office of Research and Graduate Studies	160.88	\$ 7,960,528	\$ 7,040,702	\$ 15,001,230	123.32	\$ 5,955,487	\$ 6,047,750	\$ 12,003,237	-37.56	\$ (2,005,041)	\$ (992,952)	\$ (2,997,993)
5 Academic Planning, Programs and Coordination	320.72	\$ 15,311,183	\$ 9,646,780	\$ 24,957,963	252.85	\$ 10,578,015	\$ 10,487,026	\$ 21,065,041	-67.87	\$ (4,733,168)	\$ 840,246	\$ (3,892,922)
6 Student Affairs and Admissions	134.64	\$ 4,645,844	\$ 5,803,337	\$ 10,449,181	47.00	\$ 4,068,679	\$ 752,302	\$ 4,820,981	-87.64	\$ (577,165)	\$ (5,051,035)	\$ (5,628,200)
7 Education Partnerships	0.00	\$ -	\$ -	\$ -	83.96	\$ 871,933	\$ 6,350,491	\$ 7,222,424	83.96	\$ 871,933	\$ 6,350,491	\$ 7,222,424
Subtotal	688.15	\$ 34,618,662	\$ 23,356,672	\$ 57,975,324	568.61	\$ 28,540,490	\$ 24,014,267	\$ 52,554,757	-119.54	\$ (6,078,162)	\$ 657,595	\$ (5,420,567)
Operating Expenses and Support Costs												
1 Consultants and Professional Services		\$ 7,080,861	\$ 2,717,238	\$ 9,798,099		\$ 2,939,332	\$ 3,703,757	\$ 6,643,089		\$ (4,141,529)	\$ 986,519	\$ (3,155,010)
2 Meetings & Related Costs		\$ 604,997	\$ 577,750	\$ 1,182,747		\$ 552,455	\$ 1,002,373	\$ 1,554,828		\$ (52,542)	\$ 424,623	\$ 372,081
3 Legal Costs		\$ 191,989	\$ 97,374	\$ 289,363		\$ 7,500	\$ 77,794	\$ 85,294		\$ (184,489)	\$ (19,580)	\$ (204,069)
4 Travel Related		\$ 1,556,908	\$ 1,457,213	\$ 3,014,121		\$ 1,007,246	\$ 1,191,223	\$ 2,198,469		\$ (549,662)	\$ (265,990)	\$ (815,652)
5 Utilities and Space Facilities Rental/Lease		\$ 3,084,401	\$ 1,640,721	\$ 4,725,122		\$ 796,272	\$ 1,686,711	\$ 2,482,983		\$ (2,288,129)	\$ 45,990	\$ (2,242,139)
6 Computer/Office Equip/Supplies/Svc Maint		\$ 4,228,653	\$ 2,456,565	\$ 6,685,218		\$ 3,905,404	\$ 1,822,688	\$ 5,728,092		\$ (323,249)	\$ (633,877)	\$ (957,126)
7 Outside Services & Experts		\$ 4,017,281	\$ 1,849,997	\$ 5,867,278		\$ 1,216,570	\$ 4,873,793	\$ 6,090,363		\$ (2,800,711)	\$ 3,023,796	\$ 223,085
8 Other Office		\$ 8,116,067	\$ 4,610,667	\$ 12,726,734		\$ 1,622,359	\$ 2,007,615	\$ 3,629,974		\$ (6,493,708)	\$ (2,603,052)	\$ (9,096,760)
Royalties (UC Press)		\$ -	\$ 775,847	\$ 775,847		\$ -	\$ 2,730,500	\$ 2,730,500		\$ -	\$ 1,954,653	\$ 1,954,653
Book Collection (California Digital Library)		\$ 2,883,853	\$ 654,617	\$ 3,538,470		\$ 5,949,138	\$ -	\$ 5,949,138		\$ 3,065,285	\$ (654,617)	\$ 2,410,668
Cost of Sales (UC Press)		\$ -	\$ -	\$ -		\$ -	\$ 7,236,500	\$ 7,236,500		\$ -	\$ 7,236,500	\$ 7,236,500
Subtotal	\$ 31,765,010	\$ 16,837,989	\$ 48,602,999	\$ 66,383,662	\$ 17,996,276	\$ 26,332,954	\$ 50,347,221	\$ 96,883,987	\$ (13,768,734)	\$ 9,494,965	\$ (4,273,769)	\$ (9,694,336)
Personnel & Operating Costs Before Recharges												
Recharges												
Office of Research and Graduate Studies		\$ -	\$ (2,253,825)	\$ (2,253,825)		\$ -	\$ (621,493)	\$ (621,493)		\$ -	\$ 1,632,332	\$ 1,632,332
Academic Planning, Programs and Coordination		\$ -	\$ -	\$ -		\$ -	\$ (283,552)	\$ (283,552)		\$ -	\$ (283,552)	\$ (283,552)
Subtotal	\$ -	\$ (2,253,825)	\$ (2,253,825)	\$ (2,253,825)	\$ -	\$ (905,045)	\$ (905,045)	\$ (905,045)	\$ -	\$ -	\$ 1,348,780	\$ 1,348,780
Personnel and Operating Costs Net of Recharges												
Program Costs and Fund Flowthru												
1 Immediate Office of Academic Affairs		\$ 3,908,403	\$ 7,935,243	\$ 11,843,646		\$ 1,080,000	\$ -	\$ 1,080,000		\$ (2,828,403)	\$ (7,935,243)	\$ (10,763,646)
2 Academic Personnel		\$ 556,357	\$ 336,400	\$ 892,757		\$ 20,000	\$ -	\$ 20,000		\$ (536,357)	\$ (336,400)	\$ (872,757)
3 Agriculture and Natural Resources		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
4 Office of Research and Graduate Studies		\$ 30,191,758	\$ 32,078,968	\$ 62,270,726		\$ 36,891,515	\$ 72,042,298	\$ 108,933,813		\$ 6,699,757	\$ 39,963,330	\$ 46,663,087
5 Academic Planning, Programs and Coordination		\$ 11,964,185	\$ 10,713,720	\$ 22,677,905		\$ 2,241,827	\$ 968,622	\$ 3,210,449		\$ (9,722,358)	\$ (9,745,098)	\$ (19,467,456)
6 Student Affairs and Admissions		\$ 9,441,848	\$ 12,977,386	\$ 22,419,234		\$ 10,790,800	\$ 1,295,523	\$ 12,086,323		\$ 1,348,952	\$ (11,681,863)	\$ (10,332,911)
7 Education Partnerships		\$ -	\$ -	\$ -		\$ 3,244,000	\$ 17,620,438	\$ 20,864,438		\$ 3,244,000	\$ 17,620,438	\$ 20,864,438
Subtotal	\$ 56,062,551	\$ 64,041,717	\$ 120,104,268	\$ 122,446,213	\$ 54,268,142	\$ 91,926,881	\$ 141,369,057	\$ 242,173,965	\$ (1,794,409)	\$ 27,885,164	\$ 39,386,504	\$ 26,090,755
Grand Total	688.15	\$ 122,446,213	\$ 101,982,553	\$ 224,428,766	568.61	\$ 100,804,908	\$ 141,369,057	\$ 242,173,965	-119.54	\$ (21,641,305)	\$ 39,386,504	\$ 17,745,199

Provost & Executive Vice President's Immediate Office *Lawrence Pitts, Interim Provost and Executive Vice President*

Mission & Functions

The Provost and Executive Vice President's office provides strategic leadership that sustains UC's position as the leading research university system in the world. The Academic Affairs division:

- Is the systemwide authority for academic policies, including admissions, retention, and graduation
- Joins the Academic Senate in shared governance
- Leads nationally in research and student academic affairs
- Fosters the academic interests of the University with the Regents, government, and external agencies
- Coordinates and initiates programs that help the campuses promote distinctive campus excellence
- Assesses the State's educational needs for the future
- Coordinates long-range academic planning
- Develops academic priorities for budgetary and other purposes
- Shepherds and amplifies the University's diverse resources
- Provides support to the division's management in all aspects of resource planning, coordination, and management

Significant Budget Changes and Proposals

Since the March presentation, the *Provost & Executive Vice President's Immediate Office* has reduced its budget of unrestricted funds by about \$3.82 million, its budget of restricted funds by about \$8.8 million, and its FTE by 4.0. Changes to unrestricted funds include: The addition of 1.0 FTE and \$121,798 for a Diversity Coordinator; the transfer of 1.0 FTE and \$245,661 associated with the International Strategy Development Project to the Office of Research and Graduate Studies (ORGS); the addition of a \$332,841 restructuring contingency; an increase of programmatic funding commitments by \$115,000; and the transfer of \$4.1 million in costs associated with Keck Telescope to ORGS.

The changes to restricted funds include: The transfer of \$375,720 and 4.0 FTE for the Intersegmental Coordinating Committee to Education Partnerships; a reduction of \$1,275 in Other Office operating expenses; the transfer of \$8.5 million in funds flowthrough for the Keck Telescope to ORGS; and the transfer of \$35,000 in program costs associated with the International Strategy Development Project to ORGS.

Including these post-March presentation changes, the *Provost & Executive Vice President's Immediate Office* has decreased its budget of unrestricted funds by about \$2.14 million or 42.4% since 2008-09. The decrease was caused primarily by the transfer

of programs to other departments within Academic Affairs, and was offset by personnel changes. The overall budget for the Immediate Office decreased by \$10.6 million and 3.43 FTE.

Major changes from 2008-09 to the 2009-10 budget of unrestricted funds include:

- The elimination of 1.43 net FTE associated with a \$182,389 reduction in the Immediate Office
- The elimination of 1.0 FTE associated with a \$22,957 reduction in the International Strategy Development Office and transfer of the remaining 1.0 FTE and \$245,661 in personnel costs to ORGS
- The inclusion of \$433,831 ongoing salary and benefits expenses related to the Provost position
- The addition of 3.00 FTE and \$337,720 in personnel costs for the newly centralized Division Strategic Resource Coordinators team
- The addition of 1.00 FTE and \$121,798 in personnel costs for a new Diversity Coordinator
- The addition of \$332,841 in personnel costs as a restructuring contingency
- A net decrease of \$89,013 for operating expenses
- A decrease of about \$3.9 million in funds flowthrough since 2008-09 for the transfer of costs associated with oversight of the Keck Telescope to ORGS
- The inclusion of \$1.08 million for ongoing academic program costs

Major changes from the 2008-09 to the 2009-10 budget of restricted funds include:

- The transfer of 4.0 FTE and \$333,743 in personnel costs for the Intersegmental Coordinating Committee to ORGS
- The elimination of \$200,000 in operating expenses primarily associated with the International Strategy Development Project
- A decrease of about \$7.9 million in funds flowthrough since 2008-09 for the transfer of costs associated with oversight of the Keck Telescope to ORGS
- The transfer of \$35,000 in program costs associated with the International Strategy Development Project to ORGS

**University of California Office of the President
FY 2009-10 Appropriations Proposal**

Department: Provost and Executive Vice President Academic Affairs--Immediate Office and Units	REVISED FY 2008-09 Budget After Mid Year Reductions										PROPOSED FY 2009-10 BUDGET										ADJUSTMENTS against FY 2008-09 Budget to derive FY 2009-10 Budget			
	FTE		Unrestricted		Restricted		Total Cost		FTE		Unrestricted		Restricted		Total Cost		FTE		Unrestricted		Restricted		Total Costs	
Salary & Benefits by Functional Unit	6.43	\$ 726,102	\$ -	\$ -	\$ 726,102	6.00	\$ 1,099,342	\$ -	\$ -	\$ 1,099,342	-0.43	\$ 373,240	\$ -	\$ -	\$ 373,240	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 373,240
1 Provost & Exec Vice President: Immediate Office ¹	0.00	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2 California Council on Science & Technology	2.00	\$ 288,618	\$ -	\$ -	\$ 288,618	0.00	\$ -	\$ -	\$ -	\$ -	-2.00	\$ (288,618)	\$ -	\$ -	\$ (288,618)	-4.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (288,618)
3 International Strategy Development Projects ²	4.00	\$ -	\$ 333,743	\$ -	\$ 333,743	0.00	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -	\$ -	3.00	\$ 337,720	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 337,720	
4 Interseg Coord Committee (from Ed Relations) ³	0.00	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5 Divisional Resource Coordination (SRC) Team	0.00	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
6 Restructuring Contingency ⁴	12.43	\$ 994,720	\$ 333,743	\$ -	\$ 1,328,463	9.00	\$ 1,769,903	\$ -	\$ -	\$ 1,769,903	-3.43	\$ 775,183	\$ (333,743)	\$ (441,440)	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal																								
Operating Expenses & Support Costs																								
1 Consultants & Professional Services		\$ 7,803	\$ 11,704	\$ -	\$ 19,507		\$ -	\$ -	\$ -	\$ -		\$ (7,803)	\$ (11,704)	\$ (19,507)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2 Meetings & Related Costs		\$ 9,873	\$ 14,809	\$ -	\$ 24,682		\$ 8,600	\$ 8,916	\$ 17,516		\$ (1,273)	\$ (5,893)	\$ (7,166)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3 Legal Costs		\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4 Travel Related		\$ 53,193	\$ 79,789	\$ 132,982	\$ 265,964		\$ 24,714	\$ -	\$ 24,714		\$ (28,479)	\$ (79,789)	\$ (108,268)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5 Utilities & Space Facilities Rental/Lease		\$ 19,074	\$ 28,610	\$ 47,684	\$ 95,368		\$ 16,000	\$ -	\$ 16,000		\$ (3,074)	\$ (28,610)	\$ (31,684)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6 Computer/Office Equip/Supplies/Svc Maint		\$ 19,072	\$ 28,608	\$ 47,680	\$ 95,360		\$ -	\$ -	\$ -		\$ (19,072)	\$ (28,608)	\$ (47,680)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7 Outside Services & Experts		\$ 24,812	\$ 37,219	\$ 62,031	\$ 124,061		\$ -	\$ -	\$ -		\$ (24,812)	\$ (37,219)	\$ (62,031)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8 Other Office ⁵		\$ 13,501	\$ 20,252	\$ 33,753	\$ 67,503		\$ 9,000	\$ 10,800	\$ 19,800		\$ (4,501)	\$ (9,452)	\$ (13,953)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal		\$ 147,328	\$ 220,991	\$ 368,319	\$ 736,638		\$ 58,314	\$ 19,716	\$ 78,030		\$ (89,014)	\$ (201,275)	\$ (290,289)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Personnel & Operating Costs Before Recharges		\$ 1,142,048	\$ 554,734	\$ 1,696,782	\$ 3,393,564		\$ 1,828,217	\$ 19,716	\$ 1,847,933		\$ 686,169	\$ (535,018)	\$ 151,151		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Recharges		\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Personnel & Operating Costs Net of Recharges		\$ 1,142,048	\$ 554,734	\$ 1,696,782	\$ 3,393,564		\$ 1,828,217	\$ 19,716	\$ 1,847,933		\$ 686,169	\$ (535,018)	\$ 151,151		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Program Costs & Fund Flowthru		\$ 3,908,403	\$ 7,935,243	\$ 11,843,646	\$ 23,722,855		\$ 1,080,000	\$ -	\$ 1,080,000		\$ (2,828,403)	\$ (7,935,243)	\$ (10,763,646)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-award, Sub-contracts, Sub-agreements ^{6,7,8}		\$ 3,908,403	\$ 7,935,243	\$ 11,843,646	\$ 23,722,855		\$ 1,080,000	\$ -	\$ 1,080,000		\$ (2,828,403)	\$ (7,935,243)	\$ (10,763,646)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal		\$ 3,908,403	\$ 7,935,243	\$ 11,843,646	\$ 23,722,855		\$ 1,080,000	\$ -	\$ 1,080,000		\$ (2,828,403)	\$ (7,935,243)	\$ (10,763,646)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grand Total		\$ 5,050,451	\$ 8,489,977	\$ 13,540,428	\$ 27,116,419		\$ 2,908,217	\$ 19,716	\$ 2,927,933		\$ (2,142,234)	\$ (8,470,261)	\$ (10,612,495)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Notes of changes subsequent to March report:

There was a decrease of about \$3.82M in its budget of unrestricted funds as well as a decrease of about \$8.8M in restricted funds. There was a net decrease of 4.0 FTE

The decreases were primarily due to the transfer of programs to other departments. Changes include:

- 1 Adding 1 FTE for Diversity Coordinator (\$121,798 in unrestricted funds)
- 2 Transferring 1 FTE (\$245,661 in unrestricted funds) in International Strategy Development Project to the Office of Research and Graduate Studies (ORGS)
- 3 Transferring 4 FTE (\$375,720 in restricted funds) in Intersegmental Coordinating Committee (ICC) to Education Partnerships
- 4 Adding a restructuring contingency in the amount of \$332,841 in unrestricted funds
- 5 Reducing \$1,275 in restricted funds in Other Office operating expenses
- 6 Increasing unrestricted flowthrough by \$115,000 for program commitments
- 7 Transferring \$35,000 in restricted flowthrough for International Strategy Development Project to ORGS
- 8 Transferring \$12,560,000 in flowthrough (\$4,144,675 in unrestricted funds and \$8,415,325 in restricted funds) for Keck telescope project to ORGS

Academic Personnel

Patricia Price, Interim Executive Director

Mission & Functions

Academic Personnel is responsible for systemwide academic personnel policies, and serves as primary liaison in all matters regarding academic personnel for approximately 53,000 academic appointees, including faculty, librarians, research and health science professionals, and student academic appointees.

Academic Personnel performs the following functions:

- Develops and implements University policy governing academic personnel compensation, benefits, and employee relations
- Develops and oversees academic salary scales, classification of academic positions, retention packages, and policies for additional compensation
- Develops and administers University health science compensation plans
- Analyzes proposed legislation and prepares legislative reports on academic personnel and compensation policies
- Provides policy advice for academic collective bargaining activities
- Develops and implements family friendly policies affecting academic appointees
- Provides guidance in policy and compensation matters affecting Senior Management Group appointees who also have academic appointments
- Develops and disseminates reports, evaluations, guidelines, and papers for submission to The Regents, Legislature, Academic Senate committees, California Postsecondary Education Commission, Office of the President, divisions, and federal agencies
- Serves as primary consultant to the University Committee on Faculty Welfare and the University Committee on Academic Personnel

Significant Budget Changes and Proposals

Since the March presentation, *Academic Personnel* has increased its budget by \$80,800 in unrestricted funds. Five position upgrades, as approved in the Academic Personnel reorganization plan, resulted in an increase of \$74,800 in personnel costs. Another \$6,000 in unrestricted funds meeting expenses was added to cover UCOP's share of the annual Information Technology Summit Conference.

Including these post-March presentation changes, *Academic Personnel* has reduced its budget of unrestricted funds by \$626,026 or 29.7% since 2008-09 through the transfer of the President's Fellowship Program to the Berkeley campus, across the board reductions in all non-personnel categories, as well as the reduction of 2.0 FTE. The total budget has decreased by about \$1.05 million or 41.6%.

The budget of unrestricted funds was changed as follows:

- The budget for personnel expenses was reduced by a net amount of \$17,024. This reduction is the result of the transfer of the graduate student diversity function to the Office of Research and Graduate Studies, the repurposing of 1.25 FTE formerly associated with graduate student programs within Academic Personnel, and an increase in personnel costs for position upgrades
- The budget for operating expenses was reduced by \$72,645
- The budget for program costs and fund flowthrough associated with the President's Fellowship Program was reduced in the amount of \$478,357, in addition to a reduction of \$40,000 associated with University Professor Activities and the transfer of \$18,000 in program costs for graduate diversity programs to ORGS

The entire budget of \$425,827 in restricted funds was eliminated due to the transfer of the graduate student diversity function as described above

University of California Office of the President
FY 2009-10 Appropriations Proposal

Department: Academic Personnel	REVISED FY 2008-09 Budget After Mid Year Reductions						PROPOSED FY 2009-10 BUDGET						ADJUSTMENTS against FY 2008-09 Budget to derive FY 2009-10 Budget					
	FTE		Unrestricted		Restricted		Total Cost		FTE		Unrestricted		Restricted		Total Costs			
Salary & Benefits by Functional Unit																		
1 Academic Personnel ¹	7.95	\$ 1,010,872	\$ -	\$ -	\$ 1,010,872				11.00	\$ 1,395,499	\$ -	\$ -	\$ 1,395,499	3.05	\$ 384,627	\$ -	\$ 384,627	
2 Health Sciences Compensation	0.00	\$ -	\$ -	\$ -	\$ -				0.00	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -	
3 Equity and Diversity	0.00	\$ -	\$ -	\$ -	\$ -				0.00	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -	
4 Academic Planning	1.80	\$ 182,194	\$ -	\$ -	\$ 182,194				0.00	\$ -	\$ -	\$ -	\$ -	-1.80	\$ (182,194)	\$ -	\$ (182,194)	
5 Graduate Student Advancement	2.25	\$ 138,326	\$ 81,131	\$ -	\$ 219,457				0.00	\$ -	\$ -	\$ -	\$ -	-2.25	\$ (138,326)	\$ (81,131)	\$ (219,457)	
6 Graduate Diversity	1.00	\$ 81,131	\$ -	\$ -	\$ 81,131				0.00	\$ -	\$ -	\$ -	\$ -	-1.00	\$ (81,131)	\$ -	\$ (81,131)	
Subtotal	13.00	\$ 1,412,523	\$ 81,131	\$ -	\$ 1,493,654				11.00	\$ 1,395,499	\$ -	\$ -	\$ 1,395,499	-2.00	\$ (17,024)	\$ (81,131)	\$ (98,155)	
Operating Expenses & Support Costs																		
1 Consultants and Professional Services		\$ 12,146	\$ 2,446	\$ -	\$ 14,592					\$ 4,500	\$ -	\$ -	\$ 4,500		\$ (7,646)	\$ (2,446)	\$ (10,092)	
2 Meetings & Related Costs ²		\$ 48,024	\$ -	\$ -	\$ 48,024					\$ 22,000	\$ -	\$ -	\$ 22,000		\$ (26,024)	\$ -	\$ (26,024)	
3 Legal Costs		\$ -	\$ -	\$ -	\$ -					\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
4 Travel Related		\$ 22,475	\$ 3,350	\$ 25,825						\$ 10,000	\$ -	\$ -	\$ 10,000		\$ (12,475)	\$ (3,350)	\$ (15,825)	
5 Utilities and Space Facilities Rental/Lease		\$ 19,000	\$ 1,000	\$ 20,000						\$ 3,000	\$ -	\$ -	\$ 3,000		\$ (16,000)	\$ (1,000)	\$ (17,000)	
6 Computer Office Equip/Supplies/Svc Maint		\$ 22,000	\$ 1,500	\$ 23,500						\$ 12,500	\$ -	\$ -	\$ 12,500		\$ (9,500)	\$ (1,500)	\$ (11,000)	
7 Outside Services & Experts		\$ 5,000	\$ -	\$ 5,000						\$ 4,000	\$ -	\$ -	\$ 4,000		\$ (1,000)	\$ -	\$ (1,000)	
8 Other Office		\$ 7,500	\$ -	\$ 7,500						\$ 7,500	\$ -	\$ -	\$ 7,500		\$ -	\$ -	\$ -	
Subtotal		\$ 136,145	\$ 8,296	\$ 144,441						\$ 63,500	\$ -	\$ -	\$ 63,500		\$ (72,645)	\$ (8,296)	\$ (80,941)	
Personnel and Operating Costs Before Recharges		\$ 1,548,668	\$ 89,427	\$ 1,638,095						\$ 1,458,999	\$ -	\$ -	\$ 1,458,999		\$ (89,669)	\$ (89,427)	\$ (179,096)	
Recharges																		
Recharges		\$ -	\$ -	\$ -	\$ -					\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Subtotal		\$ -	\$ -	\$ -	\$ -					\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Personnel and Operating Costs Net of Recharges		\$ 1,548,668	\$ 89,427	\$ 1,638,095						\$ 1,458,999	\$ -	\$ -	\$ 1,458,999		\$ (89,669)	\$ (89,427)	\$ (179,096)	
Program Costs and Fund Flowthru																		
Presidents Fellowship Program		\$ 478,357	\$ -	\$ 478,357						\$ -	\$ -	\$ -	\$ -		\$ (478,357)	\$ -	\$ (478,357)	
University Professor Activities		\$ 60,000	\$ -	\$ 60,000						\$ 20,000	\$ -	\$ -	\$ 20,000		\$ (40,000)	\$ -	\$ (40,000)	
UC LEADS-Koret		\$ -	\$ 40,000	\$ 40,000						\$ -	\$ -	\$ -	\$ -		\$ -	\$ (40,000)	\$ (40,000)	
NSF Grant Funded		\$ -	\$ 278,400	\$ 278,400						\$ -	\$ -	\$ -	\$ -		\$ -	\$ (278,400)	\$ (278,400)	
AGEP		\$ 18,000	\$ 18,000	\$ 36,000						\$ -	\$ -	\$ -	\$ -		\$ (18,000)	\$ (18,000)	\$ (36,000)	
Subtotal		\$ 556,357	\$ 336,400	\$ 892,757						\$ 20,000	\$ -	\$ -	\$ 20,000		\$ (536,357)	\$ (336,400)	\$ (872,757)	
Grand Total		\$ 2,105,025	\$ 425,827	\$ 2,530,852						\$ 1,478,999	\$ -	\$ -	\$ 1,478,999		\$ (626,026)	\$ (425,827)	\$ (1,051,853)	

Notes of changes subsequent to March report:

¹ \$74,800 unrestricted funds personnel costs increase due to the upgrade of five positions as approved in Academic Personnel reorganization plan

² \$6,000 additional Meeting and Related Costs on unrestricted funds for the annual Information Technology Summit Conference

Agriculture and Natural Resources

Daniel M. Dooley, Vice President

Mission & Functions

Agriculture and Natural Resources (ANR) is a mission-based systemwide network of Agricultural Experiment Station and Cooperative Extension academics and staff dedicated to the creation, development and delivery of new knowledge on agricultural, natural, environmental and related human resources.

- Agricultural Experiment Station (AES) is the university's largest multi-campus research unit, with more than 650 scientists located on the UC Berkeley, Davis, and Riverside campuses
- UC Cooperative Extension (UCCE) has 225 CE advisors, housed in virtually every county in the state, and 126 campus-based CE specialists. These academic members of UC bring research innovations and practical solutions from campus programs and adapt these to solving economic, environmental, social and community development challenges facing every Californian
- Ten Research and Extension Centers (REC) and 17 statewide programs that serve ANR and the entire University
- Federal and state compliance for both academic planning and financial reporting
- Federal compliance for affirmative action and civil rights regulations
- Integrated statewide administrative structure that includes budget, financial services, risk management, environmental health and safety, contracts and grants, analytical laboratory, communications services and planning and evaluation sub-units
- Recruitment, training and policy compliance for a volunteer program of 40,000 individuals, through its 4-H and Master Gardener programs, who are official agents of UC
- Communication of ANR's unique public service of providing new technologies, cutting-edge research and the practical information needed to keep California's agriculture economy competitive in world markets, ensure a safe and secure food supply, improve environmental quality, and protect public health

Significant Budget Changes and Proposals

Since the March presentation, ***Agriculture and Natural Resources*** increased its budget of unrestricted funds by \$72,786, decreased its budget of restricted funds by \$74,282, and increased its FTE by 1.0. Changes to the budget of unrestricted funds include: The increase of 2.0 FTE and \$216,634 in the Immediate Office of the Vice President, the transfer of two 0.5 FTE and \$255,542 to External Relations, and the inclusion of \$10,543 for executive automobile allowance. Changes to the budget of restricted funds include

the elimination of \$65,038 that was associated with 1.0 FTE previously eliminated in the 08-09 budget.

Additional changes include: The increase of \$73,531 in unrestricted funds and \$18,378 in restricted funds to adjust the budget to actual costs according to personnel moving between units and to ANR's programmatic location on the UC Davis campus; and, the shift of \$27,621 in personnel costs from restricted to unrestricted funds due to a change in federal formula funding.

Including these post-March presentation changes, *Agriculture and Natural Resources* has reduced its budget of unrestricted funds in UCOP supporting systemwide programs by net 5.0 FTE and \$392,880 or 8.4% since 2008-09, principally through a transfer of activities from UCOP to their programmatic location on the UC Davis campus. These units will serve the ANR programmatic function rather than the Office of the President. A consolidation of administrative services effort will result in:

- The transfer of 4.0 FTE to campus. Savings will be achieved through the creation of a centralized ANR Contracts and Grants Center located in Davis at the ANR Building. Functions will be consolidated from ANR-Oakland, Regional offices, Statewide programs, and Research and Extension Center administrative offices (REC-AO)
- The transfer of 2.0 FTE to campus. Savings will be achieved through the creation of a centralized ANR Staff Human Resources Unit located in Davis. Functions will be consolidated from ANR-Oakland, Regional, Statewide Program, Support Units, and REC-AO Offices
- These functional consolidations will result in savings to ANR units outside of UCOP

Other budgetary changes include:

- A net increase of 1.0 FTE in the Immediate Office (as described in the first paragraph of this section)

University of California Office of the President
FY 2009-10 Appropriations Proposal

Department: Agriculture and Natural Resources	REVISED FY 2008-09 Budget After Mid Year Reductions				PROPOSED FY 2009-10 BUDGET				ADJUSTMENTS against FY 2008-09 Budget to derive FY 2009-10 Budget			
	FTE	Unrestricted	Restricted	Total Cost	FTE	Unrestricted	Restricted	Total Cost	FTE	Unrestricted	Restricted	Total Costs
Salary & Benefits by Functional Unit												
1 Vice President Immediate Office ^{1,2}	7.00	\$ 1,003,650	\$ -	\$ 1,003,650	8.00	\$ 1,025,030	\$ -	\$ 1,025,030	1.00	\$ 21,380	\$ -	\$ 21,380
2 Statewide Academic Programs	11.63	\$ 1,146,978	\$ 140,169	\$ 1,287,147	11.63	\$ 1,174,238	\$ 112,548	\$ 1,286,786	0.00	\$ 27,260	\$ (27,621)	\$ (361)
3 Statewide Administrative Services	22.85	\$ 1,690,712	\$ 310,810	\$ 2,001,522	16.85	\$ 1,238,916	\$ 264,150	\$ 1,503,066	-6.00	\$ (451,796)	\$ (46,660)	\$ (498,456)
4 Statewide Controller/Compliance	5.00	\$ 452,514	\$ -	\$ 452,514	5.00	\$ 462,790	\$ -	\$ 462,790	0.00	\$ 10,276	\$ -	\$ 10,276
Subtotal ^{3,4,5}	46.48	\$ 4,293,854	\$ 450,979	\$ 4,744,833	41.48	\$ 3,900,974	\$ 376,698	\$ 4,277,672	-5.00	\$ (392,880)	\$ (74,281)	\$ (467,161)
Operating Expenses and Support Costs												
1 Consultants and Professional Services		\$ 20,000	\$ -	\$ 20,000		\$ 20,000	\$ -	\$ 20,000		\$ -	\$ -	\$ -
2 Meetings & Related Costs		\$ 54,010	\$ -	\$ 54,010		\$ 24,680	\$ -	\$ 24,680		\$ (29,330)	\$ -	\$ (29,330)
3 Legal Costs		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
4 Travel Related		\$ 171,651	\$ 23,407	\$ 195,058		\$ 56,737	\$ 23,407	\$ 80,144		\$ (114,914)	\$ -	\$ (114,914)
5 Utilities and Space Facilities Rental/Lease		\$ 135,580	\$ -	\$ 135,580		\$ 135,580	\$ -	\$ 135,580		\$ -	\$ -	\$ -
6 Computer/Office Equip/Supplies/Svc Maint		\$ 172,627	\$ 23,540	\$ 196,167		\$ 125,813	\$ 23,540	\$ 149,353		\$ (46,814)	\$ -	\$ (46,814)
7 Outside Services & Experts		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
8 Other Office		\$ (191,058)	\$ -	\$ (191,058)		\$ -	\$ -	\$ -		\$ 191,058	\$ -	\$ 191,058
Subtotal		\$ 362,810	\$ 46,947	\$ 409,757		\$ 362,810	\$ 46,947	\$ 409,757		\$ -	\$ -	\$ -
Personnel and Operating Costs Before Recharges		\$ 4,656,664	\$ 497,926	\$ 5,154,590		\$ 4,263,784	\$ 423,645	\$ 4,687,429		\$ (392,880)	\$ (74,281)	\$ (467,161)
Recharges												
Recharges		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Personnel and Operating Costs Net of Recharges		\$ 4,656,664	\$ 497,926	\$ 5,154,590		\$ 4,263,784	\$ 423,645	\$ 4,687,429		\$ (392,880)	\$ (74,281)	\$ (467,161)
Program Costs and Fund Flowthrough												
Program Details		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Grand Total	46.48	\$ 4,656,664	\$ 497,926	\$ 5,154,590	41.48	\$ 4,263,784	\$ 423,645	\$ 4,687,429	-5.00	\$ (392,880)	\$ (74,281)	\$ (467,161)

Notes of changes subsequent to March report:

There was an increase of \$72,786 in the budget of unrestricted funds
There was a decrease of \$74,282 in the budget of restricted funds

These changes were caused by changes in FTE and other adjustments to personnel costs. Changes include:

- ¹ A net increase of 1 FTE to the Immediate Office:

 - Increase of 2 FTE (\$216,634 in unrestricted funds) for an MSP and a PSS position
 - Transfer of two 0.5 FTE (\$255,542 in unrestricted funds) to External Relations

- ² Inclusion of \$10,543 in personnel costs against unrestricted funds for executive automobile allowance
- ³ Removal of \$65,038 in personnel costs from ANR budget of restricted funds. The 1.0 FTE was eliminated in the original 08-09 budget and the corresponding budget is now excluded
- ⁴ A shift of \$27,621 in personnel costs from restricted funds to unrestricted funds due to a change in federal formula funding
- ⁵ A general aligning of budget to actual personnel costs (\$73,531 in unrestricted funds and \$18,378 in restricted funds)

Office of Research and Graduate Studies

Steven Beckwith, Vice President

Mission and Functions

The Office of Research and Graduate Studies enhances campus-based research and graduate education by providing UC-wide strategic coordination, resources and accountability to advance UC's teaching, research and public service mission. Its major functions include:

- As the guardian of the public trust, set policy for the University's research enterprise.
- Ensure appropriate accountability for the University's research enterprise.
- Foster partnerships among campuses, the national labs and other public or private entities to advance UC-wide research priorities.
- Expand and communicate the societal impact of UC's research to California and beyond.
- Represent the UC research enterprise in national and international fora to inform policy and research opportunities.
- Promote UC's technology transfer and industry alliance efforts to bring the benefits of UC research to the public.
- Promote graduate education in the UC system to enhance California's competitive position in the global economy.

Significant Budget Changes and Proposals

Since the March presentation, *Office of Research and Graduate Studies* has increased its budget of unrestricted funds by about \$10.1 million, its budget of restricted funds by \$9.1 million and its FTE by 3.16. These increases are primarily attributed to the transfer of Keck Telescope project expenses from the Academic Affairs Immediate Office in the amount of \$4,109,675 unrestricted funds and \$8,450,325 restricted funds, a \$5,000,000 increase in unrestricted research award dollars to be transferred to campuses, and the transfer of the graduate diversity function from Academic Personnel, including \$16,400 in unrestricted programs costs and \$532,000 restricted.

Additional changes include a personnel cost increase of \$735,356 on unrestricted funds and \$48,664 on restricted funds, an operating expense increase of \$196,513 on unrestricted funds and \$59,372 on restricted funds, as well as a \$36,135 increase to recharges.

Including these post-March presentation changes, *Office of Research and Graduate Studies* has increased its budget for unrestricted funds by about \$4.39 million or 11% since 2008-09. This budgetary change is the net result of savings achieved through reorganization efforts in progress, the transfer of programs to other units within UCOP or outside, the transfer in or oversight of programs or functions not previously residing in ORGS, and increases to research funding to be awarded. The total budget (unrestricted and restricted) is reduced by 37.56 FTE, but increased by about \$41.5 million, the majority of which falls within restricted funds flowthrough.

Reorganization efforts will result in:

- Five new or reorganized units plus one consolidated grant making program
- A \$708,218 reduction to the unrestricted budget, or 1.7%
- A \$1,633,057 reduction to the restricted budget, or 3.8%
- A net reduction of 9.63 FTE

Major program transfers include:

- Transfer of UC Washington DC Academic Center to Academic Planning, Programs and Coordination. This transfer will result in a decrease of 14.90 total FTE, \$947,531 to the unrestricted budget and \$454,424 to the restricted budget
- Transfer of UC Center Sacramento to Academic Planning, Programs and Coordination. This transfer will result in a decrease to the unrestricted budget of \$650,910 and 9.03 FTE, and \$249,200 to the restricted budget
- Transfer of the Welfare Policy Research Project. This transfer will result in a decrease of 4.00 FTE and \$1,331,453 to the restricted budget

Other budgetary changes include:

- A net increase of \$6,699,757 in unrestricted funds flowthrough, mostly consisting of an increase to research grants awarded and the transfer of costs associated with UC's share of the operation and maintenance of Keck Telescope from the Academic Affairs Division Immediate Office
- An increase of \$39,963,330 in restricted funds flowthrough consisting mostly of an increase to research grants awarded and Keck Telescope costs transferred in

University of California Office of the President
FY 2009-10 Appropriations Proposal

Department: Office of Research and Graduate Studies		REVISED FY 2008-09 Budget After Mid Year Reductions			PROPOSED FY 2009-10 BUDGET			
Salary & Benefits by Functional Unit	FTE	Unrestricted	Restricted	Total Cost	FTE	Unrestricted	Restricted	Total Cost
1 Office of Research-Central Support	15.20	\$ 1,418,808	\$ 236,628	\$ 1,655,436	7.10	\$ 1,110,832	\$ 25,010	\$ 1,135,842
2 CIEE	0.00	-	-	-	17.00	\$ 1,730,145	-	\$ 1,730,145
3 IUCRP	21.80	\$ 2,096,509	-	\$ 2,096,509	3.00	\$ 323,296	-	\$ 323,296
4 Multicampus Research Units	6.98	\$ 641,274	-	\$ 641,274	30.00	\$ 1,384,031	\$ 1,342,231	\$ 2,726,262
5 Natural Reserve System	6.47	\$ 191,478	\$ 390,662	\$ 582,140	6.47	\$ 167,381	\$ 324,915	\$ 492,296
6 Office of Technology Transfer	35.93	\$ 2,014,018	\$ 1,300,337	\$ 3,314,355	63.57	\$ 4,715,685	\$ 1,692,156	\$ 6,407,841
7 Special Research Programs	49.57	-	\$ 4,281,536	\$ 4,281,536				
8 Welfare Policy Research Program	1.00	-	\$ 127,915	\$ 127,915				
Subtotal Original Units	136.95	\$ 6,362,087	\$ 6,337,078	\$ 12,699,165				
New Units								
9 UC Sacramento (from Ed Relations)	9.03	\$ 650,910	\$ 249,200	\$ 900,110	6.00	\$ 268,957	\$ 268,957	\$ 537,914
10 UC Washington DC (from Ed Relations)	14.90	\$ 947,531	\$ 454,424	\$ 1,401,955	6.00	\$ 307,916	\$ 307,916	\$ 615,832
Subtotal New Units	23.93	\$ 1,598,441	\$ 703,624	\$ 2,302,065				
Subtotal All units	160.88	\$ 7,960,528	\$ 7,040,702	\$ 15,001,230				
Operating Expenses and Support Costs								
1 Consultants and Professional Services		\$ 378,875	\$ 1,087,892	\$ 1,466,767		\$ 323,440	\$ 508,064	\$ 831,504
2 Meetings & Related Costs		\$ 51,604	\$ 280,923	\$ 332,527		\$ 110,953	\$ 157,372	\$ 268,325
3 Legal Costs		\$ 7,500	\$ 7,500	\$ 15,000		\$ 7,500	\$ 7,500	\$ 15,000
4 Travel Related		\$ 240,844	\$ 754,817	\$ 995,661		\$ 381,276	\$ 253,000	\$ 635,076
5 Utilities and Space Facilities Rental/Lease		\$ 451,960	\$ 86,451	\$ 538,411		\$ 46,741	\$ 96,533	\$ 143,274
6 Computer/Office Equip/Supplies/Svc Maint		\$ 524,604	\$ 1,052,930	\$ 1,577,534		\$ 495,414	\$ 288,356	\$ 783,770
7 Outside Services & Experts		\$ 277,910	\$ 576,258	\$ 854,168		\$ 298,761	\$ 257,086	\$ 515,847
8 Other Office		\$ 573,020	\$ 2,117,112	\$ 2,690,132		\$ 580,614	\$ 935,567	\$ 1,516,181
Subtotal		\$ 2,506,317	\$ 5,963,883	\$ 8,470,200		\$ 2,204,699	\$ 2,504,278	\$ 4,708,977
Personnel and Operating Costs Before Recharges		\$ 10,466,845	\$ 13,004,585	\$ 23,471,430		\$ 8,160,186	\$ 8,552,028	\$ 16,712,214
Recharges								
Recharges		\$ -	\$ (2,253,825)	\$ (2,253,825)		\$ -	\$ (621,493)	\$ (621,493)
Subtotal		\$ 10,466,845	\$ 10,750,760	\$ 21,217,605		\$ 8,160,186	\$ 7,930,535	\$ 16,090,721
Program Costs and Fund Flowthrough								
Tobacco Research Grant Awards		\$ -	\$ 12,484,405	\$ 12,484,405		\$ 4,109,675	\$ 8,450,325	\$ 12,560,000
Breast Cancer Research Program		\$ -	\$ 9,959,297	\$ 9,959,297		\$ -	\$ 13,177,450	\$ 13,177,450
HIV/AIDS Research Grant Awards		\$ 861,176	\$ 6,987,813	\$ 7,848,989		\$ -	\$ 19,557,661	\$ 19,557,661
Welfare Policy Research Grants		\$ -	\$ 847,453	\$ 847,453		\$ 861,176	\$ 9,094,862	\$ 9,956,038
IUCRP Research Grants		\$ 17,263,184	\$ -	\$ 17,263,184		\$ 15,536,866	\$ -	\$ 15,536,866
NRS Transfers		\$ 67,398	\$ -	\$ 67,398		\$ 67,398	\$ -	\$ 67,398
Research Grants		\$ 12,000,000	\$ 1,800,000	\$ 13,800,000		\$ 3,500,000	\$ 1,800,000	\$ 5,300,000
Keck ⁴		\$ -	\$ -	\$ -		\$ 12,300,000	\$ -	\$ 12,300,000
Lab Fees Research Awards		\$ -	\$ -	\$ -		\$ 500,000	\$ 30,000	\$ 530,000
Graduate Diversity ⁶		\$ -	\$ -	\$ -		\$ 16,400	\$ 532,000	\$ 548,400
Subtotal		\$ 30,191,758	\$ 32,078,968	\$ 62,270,726		\$ 36,891,515	\$ 72,042,298	\$ 108,933,813
Grand Total		\$ 40,658,603	\$ 42,829,728	\$ 83,488,331		\$ 45,051,701	\$ 79,972,833	\$ 125,024,534

Notes of changes subsequent to March report:

- 1 There was an increase of \$10.06M in the budget of unrestricted funds, a \$9.08M increase to the budget of restricted funds and a net increase of 3.16 FTE as follows:
- 2 Net increase of 3.16 FTE and \$735,356 unrestricted personnel costs and \$48,664 restricted personnel costs
- 3 Increase of \$196,513 unrestricted operating expenses and \$59,372 restricted operating expenses
- 4 Oversight of Keck Telescope expenses transferred from Academic Affairs Immediate Office increasing unrestricted funds flowthrough by \$4,109,675 and \$8,450,325 restricted
- 5 Increase of \$5,000,000 in unrestricted funds flowthrough for research awards
- 6 Transfer of Graduate Diversity function from Academic Personnel and other flowthrough changes resulting in an increase to program costs and flowthrough: \$16,400 unrestricted and \$562,000 restricted

Academic Planning, Programs, and Coordination

Daniel Greenstein, Vice Provost

Mission & Functions

Academic planning and analysis to advance the charge of a 21st century public research university

- Proactive long-term thinking about the nature, size and shape of UC's academic enterprise and its service to the state, nation and world
- Analyses responsive to emerging trends and challenges
- Stewardship of the University's academic goals and ongoing evaluation of its performance in meeting them
- Leadership and oversight for academic programs that are implemented on a systemwide basis
- Identification and advancement of university's interest in emerging forms of teaching, research and public information dissemination

Systemwide academic programs for which the unit is responsible include:

Digital library, publishing and broadcast services

- California Digital Library
- eScholarship
- Language Learning Consortium
- UC College Prep Online
- UC Press
- UC TV

Systemwide instructional programs

- Education Abroad Program
- UC Sacramento Center
- UC Washington Center

Significant Budget Changes and Proposals

Since the March presentation, *Academic Planning, Programs and Coordination* has increased its budget of unrestricted funds by \$50,834 to adjust for the actual cost of filled positions.

Including this post-March presentation revision, *Academic Planning, Programs and Coordination* has reduced its budget of unrestricted funds by about \$27.4 million or 52% since 2008-09, principally through the transfer of programs to a campus or other units within UCOP, or the elimination of programs altogether. The budget for restricted funds has increased by \$3.48 million, and the overall budget has decreased by about \$23.9 million and 67.87 net FTE.

Major program transfers include:

- Transfer of Education Abroad Program to a campus. This transfer, in the early stages of negotiation, will result in the reduction of the unrestricted budget by \$14,187,869 and 80.61 FTE, and a reduction to the restricted budget of \$11,105,033
- Transfer of the Science and Math Initiative, COSMOS and California Subject Matter Projects to the new Education Partnerships department. These transfers will result in the reduction of the unrestricted budget by \$500,372, of the restricted budget by \$157,153 and 9.60 FTE total
- Transfer of UC Washington Center (UCDC) from the Office of Research and Graduate Studies. This transfer will result in an increase of 14.40 total FTE, \$1,379,741 to the unrestricted budget and \$1,687,825 to the restricted budget
- Transfer of UC Center Sacramento (UCCS) from the Office of Research and Graduate Studies. This transfer will result in an increase to the unrestricted budget by \$1,112,735 and 8.13 FTE, and \$42,680 to the restricted budget

Other program changes:

- Reduction of unrestricted funds flowthrough by the elimination of the UC College Prep Program from the UCOP budget for APPC --\$3,100,000
- Final phaseout of the Office of International Activities--\$100,000 reduction to unrestricted funds flowthrough

Other budgetary changes:

- Reclassification of approximately \$12,000,000 UC Press expenses from unrestricted to restricted funding according to UC financial policy
- Addition of ongoing expenses related to Casa de California--\$460,000 unrestricted and \$968,622 restricted funds
- Inclusion of \$640,000 in Consultant and Professional Service expense in the Immediate Office for one-time development costs to automate identification of UC expertise and scholarly work in specific areas, as well as to integrate the publishing and broadcasting capacities of UCTV, UC Press, CDL, eScholarship, etc. for effective use in advocacy and fundraising efforts—unrestricted funds
- Addition of \$720,000 in Outside Service expense in the California Digital Library for its contribution to HathiTrust, a unified inter-institutional repository of shared digital content—restricted funds. The HathiTrust initiative will result in substantial savings to the campuses in the cost of managing digital assets and the need for storage of redundant print volumes
- Increase of \$240,000 in Computer/Service Maintenance expense in California Digital Library for application licensing and maintenance expense

University of California Office of the President
FY 2009-10 Appropriations Proposal

Department: Academic Planning, Programs and Coordination	REVISED FY 2008-09 Budget After Mid Year Reductions				PROPOSED FY 2009-10 BUDGET				ADJUSTMENTS against FY 2008-09 Budget to derive FY 2009-10 Budget			
	FTE	Unrestricted	Restricted	Total Cost	FTE	Unrestricted	Restricted	Total Cost	FTE	Unrestricted	Restricted	Total Costs
Salary & Benefits by Functional Unit												
1 Immediate Office of the Vice Provost ¹	15.00	\$ 1,688,871	\$ -	\$ 1,688,871	15.00	\$ 1,920,979	\$ -	\$ 1,920,979	0.00	\$ 222,108	\$ -	\$ 222,108
2 Digital Library	76.06	\$ 7,390,194	\$ -	\$ 7,390,194	77.32	\$ 7,420,183	\$ 117,930	\$ 7,538,113	1.26	\$ 29,989	\$ 117,930	\$ 147,919
3 Education Abroad Program	80.61	\$ 5,721,746	\$ -	\$ 5,721,746	0.00	\$ -	\$ -	\$ -	-80.61	\$ (5,721,746)	\$ -	\$ (5,721,746)
4 UC Press	139.45	\$ -	\$ 9,489,627	\$ 9,489,627	138.00	\$ -	\$ 9,812,000	\$ 9,812,000	-1.45	\$ -	\$ 322,373	\$ 322,373
5 Continuing Education of the Bar	0.00	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -
6 SM/CCSM/OS/CSMP	9.60	\$ 500,372	\$ 157,153	\$ 657,525	0.00	\$ -	\$ -	\$ -	-9.60	\$ (500,372)	\$ (157,153)	\$ (657,525)
7 UCCS (added 2009)	0.00	\$ -	\$ -	\$ -	8.13	\$ 652,833	\$ -	\$ 652,833	8.13	\$ 652,833	\$ -	\$ 652,833
8 UODC (added 2009)	0.00	\$ -	\$ -	\$ -	14.40	\$ 584,020	\$ 557,096	\$ 1,141,116	14.40	\$ 584,020	\$ 557,096	\$ 1,141,116
Subtotal	320.72	\$ 15,311,183	\$ 9,646,780	\$ 24,957,963	252.85	\$ 10,578,015	\$ 10,487,026	\$ 21,065,041	-67.87	\$ (4,733,168)	\$ 840,246	\$ (3,892,922)
Operating Expenses and Support Costs												
1 Consultants and Professional Services		\$ 5,988,664	\$ 1,107,213	\$ 7,095,877		\$ 799,000	\$ 2,499,880	\$ 3,298,880		\$ (5,189,664)	\$ 1,392,667	\$ (3,796,997)
2 Meetings and Professional Services		\$ 121,203	\$ 40,401	\$ 161,604		\$ 125,700	\$ 117,250	\$ 242,950		\$ 4,497	\$ 76,849	\$ 81,346
3 Legal Costs		\$ 66,499	\$ 864	\$ 67,363		\$ -	\$ 6,500	\$ 6,500		\$ (66,499)	\$ 5,636	\$ (60,863)
4 Travel Related		\$ 575,643	\$ 223,861	\$ 799,504		\$ 298,408	\$ 365,382	\$ 663,790		\$ (277,235)	\$ 141,521	\$ (135,714)
5 Utilities and Space Facilities Rental/Lease		\$ 1,163,555	\$ 547,555	\$ 1,711,110		\$ 476,081	\$ 1,425,608	\$ 1,901,689		\$ (687,474)	\$ 878,053	\$ 190,579
6 Computer/Office Equip/Supplies/Svc Maint		\$ 3,047,325	\$ 1,015,775	\$ 4,063,100		\$ 3,085,803	\$ 1,157,012	\$ 4,242,815		\$ 38,478	\$ 141,237	\$ 179,715
7 Outside Services & Experts		\$ 3,709,559	\$ 1,236,520	\$ 4,946,079		\$ 878,000	\$ 4,451,500	\$ 5,329,500		\$ (2,831,559)	\$ 3,214,980	\$ 383,421
8 Other Office		\$ 7,945,216	\$ 2,648,405	\$ 10,593,621		\$ 975,840	\$ 924,748	\$ 1,900,588		\$ (6,969,376)	\$ (1,723,657)	\$ (8,693,033)
Royalties (UC Press)		\$ -	\$ 775,847	\$ 775,847		\$ -	\$ 2,730,500	\$ 2,730,500		\$ -	\$ 1,954,653	\$ 1,954,653
Book Collection (CDL)		\$ 2,883,853	\$ 664,617	\$ 3,538,470		\$ 5,949,138	\$ -	\$ 5,949,138		\$ 3,065,285	\$ (654,617)	\$ 2,410,668
Cost of Sales (UC Press)		\$ -	\$ -	\$ -		\$ -	\$ 7,236,500	\$ 7,236,500		\$ -	\$ 7,236,500	\$ 7,236,500
Subtotal	\$ 25,501,517	\$ 8,251,058	\$ 33,752,575	\$ 40,812,700	\$ 12,587,970	\$ 20,914,880	\$ 31,401,906	\$ 54,567,891	\$ (12,913,547)	\$ 12,663,822	\$ (249,725)	\$ (4,142,647)
Personnel & Operating Costs Before Recharges												
Recharges		\$ -	\$ -	\$ -		\$ -	\$ (283,552)	\$ (283,552)		\$ -	\$ -	\$ -
Recharges		\$ -	\$ -	\$ -		\$ -	\$ (283,552)	\$ (283,552)		\$ -	\$ (283,552)	\$ (283,552)
Subtotal												
Personnel and Operating Costs Net of Recharges												
Program Costs and Fund Flowthru		\$ 40,812,700	\$ 17,897,838	\$ 58,710,538		\$ 23,165,985	\$ 31,118,354	\$ 54,284,339		\$ (17,646,715)	\$ 13,220,516	\$ (4,426,199)
1 UC College Prep Program		\$ 3,100,000	\$ -	\$ 3,100,000		\$ -	\$ -	\$ -		\$ (3,100,000)	\$ -	\$ (3,100,000)
2 Office of International Activities		\$ 100,000	\$ -	\$ 100,000		\$ -	\$ -	\$ -		\$ (100,000)	\$ -	\$ (100,000)
3 Student Award Payments and Scholarships		\$ 408,741	\$ 695,964	\$ 1,104,705		\$ -	\$ -	\$ -		\$ (408,741)	\$ (695,964)	\$ (1,104,705)
4 Payments to campuses for reciprocity		\$ 817,404	\$ 1,391,796	\$ 2,209,200		\$ -	\$ -	\$ -		\$ (817,404)	\$ (1,391,796)	\$ (2,209,200)
5 Study Centers Instruction Abroad (EAP)		\$ 5,066,040	\$ 8,625,960	\$ 13,692,000		\$ -	\$ -	\$ -		\$ (5,066,040)	\$ (8,625,960)	\$ (13,692,000)
6 Campus Financial Support		\$ 1,000,000	\$ -	\$ 1,000,000		\$ -	\$ -	\$ -		\$ (1,000,000)	\$ -	\$ (1,000,000)
7 Operating Support		\$ 445,000	\$ -	\$ 445,000		\$ 445,000	\$ -	\$ 445,000		\$ -	\$ -	\$ -
8 Scientific Account for Faculty Publications		\$ 1,027,000	\$ -	\$ 1,027,000		\$ 1,027,000	\$ -	\$ 1,027,000		\$ -	\$ -	\$ -
13 UCCS Flowthru		\$ -	\$ -	\$ -		\$ 309,827	\$ -	\$ 309,827		\$ 309,827	\$ -	\$ 309,827
14 Casa De California		\$ -	\$ -	\$ -		\$ 460,000	\$ 968,622	\$ 1,428,622		\$ 460,000	\$ 968,622	\$ 1,428,622
Subtotal	\$ 11,964,185	\$ 10,713,720	\$ 22,677,905	\$ 52,776,895	\$ 25,407,812	\$ 32,086,976	\$ 57,494,788	\$ (9,722,358)	\$ (27,369,073)	\$ 3,475,418	\$ (23,893,655)	\$ (19,467,456)
Grand Total	320.72	\$ 52,776,895	\$ 28,611,558	\$ 81,388,443	252.85	\$ 25,407,812	\$ 32,086,976	\$ 57,494,788	-67.87	\$ (27,369,073)	\$ 3,475,418	\$ (23,893,655)

Note of change subsequent to March report:

¹ Budget for personnel costs of the Vice Provost's Immediate Office increased by \$50,834 in unrestricted funds to adjust to actual costs of filled positions

Student Affairs and Admissions

Judy Sakaki, Vice President

Mission & Functions

Student Affairs and Admissions is responsible for the systemwide enrollment and success of a diverse, highly qualified student body. Its major functions include:

- Systemwide policies for University admissions, student financial support, and student life
- Undergraduate enrollment management and planning
- Systemwide student, counselor, and school relations
- Research and analysis on how undergraduate and graduate students finance their education, including scholarships, fellowships, grants, student loans, work-study programs, higher education tax credits and deductions, and fee and/or tuition exemptions/waivers
- High school and community college course articulation and transfer policy and services
- Management of systemwide admissions, financial aid, and student support programs and services
- Systemwide issues management in the areas of access and enrollment, diversity, affordability and financial competitiveness, and student life for undergraduates, graduates and professional degree students

Significant Budget Changes and Proposals

Since the March presentation, *Student Affairs and Admissions* has decreased its budget of unrestricted funds by about \$2.66 million, increased its budget of restricted funds by about \$1.24 million and decreased its FTE by 9.50. Changes include a decrease of \$351,662 in personnel costs to its budget of unrestricted funds and an increase of \$39,259 in personnel costs to its budget of restricted funds due to factors associated with its restructuring plan. These factors include creating new positions, eliminating some existing ones, position upgrades and adjustments of vacant position salaries to the mid-point of the salary range. About \$1.1 million in unrestricted funds costs associated with the Transcript Evaluation Service outside vendor agreement were reduced, and about \$1.2 million in costs associated with the Analytical Writing Placement Exam were reclassified from unrestricted to restricted funds.

Including these post-March presentation changes *Student Affairs and Admissions* has increased its budget of unrestricted funds by \$165,441 or 1.0% since 2008-09. The total budget has decreased by about \$18.8 million or 49% and personnel was reduced by 87.64 FTE, due principally to the transfer of Student Academic Preparation and Educational Partnership (SAPEP) programs to the new Education Partnerships department.

Significant changes to the budget of unrestricted funds since 2008-09 include:

- A reduction of \$577,165 in personnel costs associated with its restructuring plan
- A reduction of about \$1.2 million in utilities and facilities expenses
- A reduction of \$168,466 in operating expenses due to the transfer of programs to Education Partnerships
- A reduction of \$257,991 in travel-related costs
- An increase of about \$1.1 million in expenses for consultants and professional services for seasonal evaluators, consultants for the new initiative “applyUC” and systems development for new initiatives
- A net increase of about \$1.3 million in program costs largely due to:
 - the reclassification of about \$7.8 million from restricted to unrestricted funds for outside services/vendors for multi-year contracts for the Eligibility in the Local Context (ELC) program, admissions applications processing, and for preparation of W-9s for financial aid recipients
 - the reclassification of about \$1.2 million from unrestricted to restricted funds for the Analytical Writing Placement Exam
 - a reduction of about \$3.5 million due to the transfer of programs to Education Partnerships
 - the reduction of about \$1.1 million resulting from the elimination of the Transcript Evaluation Service outside vendor agreement from the budget of Student Affairs and Admissions
 - a reduction of \$674,833 in scholarships

Significant changes to the budget of restricted funds since 2008-09 include:

- A reduction of about \$15.8 million due to the transfer of SAPEP programs and 69.91 FTE to Education Partnerships
- A reduction of \$887,623 in personnel costs as a result of eliminating 8.23 FTE
- An increase of \$39,259 in personnel costs due to the adjustment of vacant position salaries to the mid-point of the salary range, partially offset by the elimination of 0.5 FTE and associated personnel costs

University of California Office of the President
FY 2009-10 Appropriations Proposal

Department: Student Affairs and Admissions	REVISED FY 2008-09 Budget After Mid Year Reductions				PROPOSED FY 2009-10 BUDGET				ADJUSTMENTS against FY 2008-09 Budget to derive FY 2009-10 Budget			
	FTE	Unrestricted	Restricted	Total Cost	FTE	Unrestricted	Restricted	Total Cost	FTE	Unrestricted	Restricted	Total Costs
Salary & Benefits by Functional Unit												
1 Immediate Office	8.50	\$ 879,524	\$ -	\$ 879,524	2.00	\$ 374,672	\$ -	\$ 374,672	-6.50	\$ (504,852)	\$ -	\$ (504,852)
2 Undergraduate Admissions	22.35	\$ 1,767,466	\$ 28,472	\$ 1,795,938	4.00	\$ 498,143	\$ -	\$ 498,143	-18.35	\$ (1,269,323)	\$ (28,472)	\$ (1,297,795)
3 Communications	0.00	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -
4 ASSIST Coordination Site (located at UC Irvine)	8.50	\$ -	\$ 652,546	\$ 652,546	8.00	\$ -	\$ 752,302	\$ 752,302	-0.50	\$ (307,502)	\$ 99,756	\$ 99,756
5 Campus Life	4.50	\$ 307,502	\$ -	\$ 307,502	0.00	\$ -	\$ -	\$ -	-4.50	\$ (307,502)	\$ -	\$ (307,502)
6 Student Financial Support	15.00	\$ 1,409,890	\$ -	\$ 1,409,890	4.00	\$ 481,127	\$ -	\$ 481,127	-11.00	\$ (928,763)	\$ -	\$ (928,763)
7 Policy & Program Analysis	3.00	\$ 281,462	\$ -	\$ 281,462	8.00	\$ 943,819	\$ -	\$ 943,819	5.00	\$ 662,357	\$ -	\$ 662,357
8 Puente	31.00	\$ -	\$ 2,162,009	\$ 2,162,009	0.00	\$ -	\$ -	\$ -	-31.00	\$ -	\$ (2,162,009)	\$ (2,162,009)
9 MESA	18.65	\$ -	\$ 1,367,624	\$ 1,367,624	0.00	\$ -	\$ -	\$ -	-18.65	\$ -	\$ (1,367,624)	\$ (1,367,624)
10 GEAR UP	16.64	\$ -	\$ 984,351	\$ 984,351	0.00	\$ -	\$ -	\$ -	-16.64	\$ -	\$ (984,351)	\$ (984,351)
11 SAPEP Oversight/K-12 Initiatives	5.50	\$ -	\$ 493,621	\$ 493,621	0.00	\$ -	\$ -	\$ -	-5.50	\$ -	\$ (493,621)	\$ (493,621)
12 Regional Academic Collaborative	0.00	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -
13 On-Line Information Systems	1.00	\$ -	\$ 114,714	\$ 114,714	0.00	\$ -	\$ -	\$ -	-1.00	\$ -	\$ (114,714)	\$ (114,714)
14 Systemwide Processes & Programs	0.00	\$ -	\$ -	\$ -	21.00	\$ 1,770,918	\$ -	\$ 1,770,918	21.00	\$ 1,770,918	\$ -	\$ 1,770,918
Subtotal	134.64	\$ 4,645,844	\$ 5,803,337	\$ 10,449,181	47.00	\$ 4,068,679	\$ 752,302	\$ 4,820,981	-87.64	\$ (577,165)	\$ (5,051,035)	\$ (5,628,200)
Operating Expenses & Support Costs												
1 Consultants and Professional Services		\$ 673,373	\$ 507,983	\$ 1,181,356		\$ 1,742,392	\$ -	\$ 1,742,392		\$ 1,069,019	\$ (507,983)	\$ 561,036
2 Meetings and Related Costs		\$ 320,283	\$ 241,617	\$ 561,900		\$ 205,522	\$ 13,700	\$ 219,222		\$ (114,761)	\$ (227,917)	\$ (342,678)
3 Legal Costs		\$ 117,990	\$ 89,010	\$ 207,000		\$ -	\$ -	\$ -		\$ (117,990)	\$ (89,010)	\$ (207,000)
4 Travel Related		\$ 483,102	\$ 371,989	\$ 855,091		\$ 209,111	\$ 5,000	\$ 214,111		\$ (283,991)	\$ (366,989)	\$ (650,980)
5 Utilities and Space Facilities Rental/Lease		\$ 1,295,232	\$ 977,105	\$ 2,272,337		\$ 106,370	\$ 44,000	\$ 150,370		\$ (1,188,862)	\$ (933,105)	\$ (2,121,967)
6 Computer/Office Equip/Supplies/Svc Maint		\$ 443,025	\$ 334,212	\$ 777,237		\$ 138,908	\$ 15,569	\$ 154,477		\$ (304,117)	\$ (318,643)	\$ (622,760)
7 Outside Services & Experts		\$ -	\$ -	\$ -		\$ 66,809	\$ -	\$ 66,809		\$ 66,809	\$ -	\$ 66,809
8 Other Office		\$ (232,112)	\$ (175,102)	\$ (407,214)		\$ 35,405	\$ 2,500	\$ 37,905		\$ 267,517	\$ 177,602	\$ 445,119
Subtotal		\$ 3,110,893	\$ 2,346,814	\$ 5,457,707		\$ 2,504,517	\$ 80,769	\$ 2,585,286		\$ (606,376)	\$ (2,266,045)	\$ (2,872,421)
Personnel & Operating Costs Before Recharges		\$ 7,756,737	\$ 8,150,151	\$ 15,906,888		\$ 6,573,196	\$ 833,071	\$ 7,406,267		\$ (1,183,541)	\$ (7,317,080)	\$ (8,500,621)
Recharges		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Personnel and Operating Costs Net of Recharges		\$ 7,756,737	\$ 8,150,151	\$ 15,906,888		\$ 6,573,196	\$ 833,071	\$ 7,406,267		\$ (1,183,541)	\$ (7,317,080)	\$ (8,500,621)
Program Costs and Fund Flowthrough												
Subject A, Math Diag Exams (incl below)		\$ -	\$ 2,585,000	\$ 2,585,000		\$ -	\$ -	\$ -		\$ -	\$ (2,585,000)	\$ (2,585,000)
Student Academic Prep Programs		\$ 2,637,659	\$ 2,072,446	\$ 4,710,105		\$ -	\$ -	\$ -		\$ (2,637,659)	\$ (2,072,446)	\$ (4,710,105)
Federal Grant Overhead		\$ 288,938	\$ -	\$ 288,938		\$ -	\$ -	\$ -		\$ (288,938)	\$ -	\$ (288,938)
Scholarships & Awards		\$ 1,251,633	\$ 983,426	\$ 2,235,059		\$ 800	\$ -	\$ 800		\$ (1,250,833)	\$ (983,426)	\$ (2,234,259)
Other Subawards		\$ -	\$ 961,603	\$ 961,603		\$ -	\$ 90,000	\$ 90,000		\$ -	\$ (871,603)	\$ (871,603)
Outside Service/Vendors ³		\$ 5,263,618	\$ 6,374,911	\$ 11,638,529		\$ 10,790,000	\$ 1,205,523	\$ 11,995,523		\$ 5,526,382	\$ (5,169,388)	\$ 356,994
Subtotal		\$ 9,441,848	\$ 12,977,386	\$ 22,419,234		\$ 10,790,800	\$ 1,295,523	\$ 12,086,323		\$ 1,348,952	\$ (11,681,863)	\$ (10,332,911)
Grand Total		\$ 17,198,585	\$ 21,127,537	\$ 38,326,122		\$ 17,363,996	\$ 2,128,594	\$ 19,492,590		\$ -87.64	\$ (18,998,943)	\$ (18,833,532)

Notes of changes subsequent to March report:

There was a decrease of about \$2.66M in the budget of unrestricted funds

There was an increase of about \$1.24M in the budget of restricted funds

1 A net of 9.50 FTE was eliminated

2 The budget for personnel costs was reduced by \$351,662 in unrestricted funds and increased by \$39,259 in restricted funds

The changes in the budget for personnel costs were due to several factors associated with the restructuring plan:

Creation of new positions, elimination of existing positions, position upgrades and adjustment of salaries to mid-point

3 The budget for program costs and fund flow through was reduced by about \$2.3M in unrestricted funds and was increased by about \$1.2M in restricted funds. This change was caused by:

Eliminating \$1.1M in unrestricted funds for the Transcript Evaluation Service outside vendor agreement

Reclassifying about \$1.2M in costs from unrestricted to restricted funds for the Analytical Writing Placement Exam (AWPE) vendor contract

Education Partnerships

Vacant, Vice Provost

Mission & Functions

Education Partnerships is responsible for systemwide and intersegmental policies and programs that engage California P-20 educational systems to promote student achievement and that strengthen the continuum of teaching, learning and leadership to ensure a full range of postsecondary options for students. Major functions:

- Developing a policy agenda for the University on state and federal policy issues that relate to P-20 education.
- Developing external partnerships to identify research, teaching and public service priorities and opportunities, and to leverage resources toward these efforts.
- Coordinating UC relations and collaborative efforts with the California Department of Education, State Board of Education, and Commission on Teacher Credentialing as well as with other educational segments and entities in the state as related to the University's involvement in P-20 work, including the California Community Colleges, the California State University, the Association of Independent Colleges and Universities, business and community organizations.
- Leadership and oversight of relations between campuses and UCOP units whose work touches on public education.
- Leadership and oversight of all aspects of the University's college access, teaching and learning activities, including strategic planning and accountability mechanisms for the Student Academic Preparation and Educational Partnerships (SAPEP) programs, COSMOS, the Science and Mathematics Initiative, educator preparation, and the California Subject Matter Projects.

Significant Budget Changes and Proposals

Since the March presentation, *Education Partnerships* has increased its budget of unrestricted funds by \$197,499, increased its budget of restricted funds by \$545,344 and increased FTE by 5.85. Personnel costs have been increased by the addition of three department analyst positions totaling \$75,995 in unrestricted funds and \$176,744 in restricted funds, the elimination of 1.00 FTE and \$122,338 in unrestricted funds associated with the Science and Math Initiative and the transfer in of 3.80 FTE and \$375,520 restricted funds associated with of the Intersegmental Coordinating Committee. Further personnel cost increases in the amount of \$318,842 in unrestricted funds and \$1,439,602 restricted funds are attributed to current position upgrades and budgeting vacant positions at the midpoint of the salary range.

This budget revision also includes a \$140,000 decrease to operating costs due to the re-categorization of COSMOS scholarships from Other Office to Program Costs and Funds

Flowthrough. Consequentially, restricted funds program costs are increased by this amount. Other program cost changes include: The elimination of the Analytical Writing Placement Exam (AWPE) committee support in the amount of \$75,000 unrestricted funds, the elimination of Puente Program indirect costs in the amount of \$241,000 restricted funds and the reduction of \$1,205,523 AWPE restricted fund contract expenses.

Including these post-March presentation changes, *Education Partnerships* has an unrestricted funds budget of about \$4.3 million, about \$26.7 million in restricted funds, and 83.96 FTE for 2009-10. The majority of the Education Partnerships budget results from the transfer of the SAPEP programs from Student Affairs and Admissions. Approximately \$3.5 million in unrestricted funds, \$14.4 million in restricted funds, and 69.91 FTE will be transferred to Education Partnerships from the former Student Affairs. Furthermore, about \$3.5 million of the \$14.4 million budget of restricted funds are of ongoing SAPEP program costs and flow through previously budgeted in unrestricted funds.

The budget of restricted funds includes an additional \$11.1 million in costs for programs which are transferred to Education Partnerships from Academic Planning, Programs and Coordination. These programs are:

- The Science Math Initiative (SMI) with an associated budget of \$794,000 unrestricted funds
- The California Subject Matter Projects (CSMP) with an associated budget of about \$9.3 million in restricted funds, and 2.0 FTE
- The California State Summer School for Mathematics and Science (COSMOS) with an associated budget of \$1.1 million in restricted funds, and 2.20 FTE

University of California Office of the President
FY 2009-10 Appropriations Proposal

Department: Education Partnerships	REVISED FY 2008-09 Budget After Mid Year Reductions				PROPOSED FY 2009-10 BUDGET				ADJUSTMENTS against FY 2008-09 Budget to derive FY 2009-10 Budget			
	FTE	Unrestricted	Restricted	Total Cost	FTE	Unrestricted	Restricted	Total Cost	FTE	Unrestricted	Restricted	Total Costs
Salary & Benefits by Functional Unit												
1 Imm Ofc of the Vice Provost	0.00	\$ -	\$ -	\$ -	9.80	\$ 671,599	\$ 485,906	\$ 1,157,505	9.80	\$ 671,599	\$ 485,906	\$ 1,157,505
2 Administrative Services	0.00	\$ -	\$ -	\$ -	6.00	\$ 200,334	\$ 206,337	\$ 406,671	6.00	\$ 200,334	\$ 206,337	\$ 406,671
3 Teaching, Learning and Leadership	0.00	\$ -	\$ -	\$ -	6.55	\$ -	\$ 641,674	\$ 641,674	6.55	\$ -	\$ 641,674	\$ 641,674
4 P-20 Initiatives	0.00	\$ -	\$ -	\$ -	2.00	\$ -	\$ 247,970	\$ 247,970	2.00	\$ -	\$ 247,970	\$ 247,970
5 College Access and Preparation	0.00	\$ -	\$ -	\$ -	55.61	\$ -	\$ 4,342,786	\$ 4,342,786	55.61	\$ -	\$ 4,342,786	\$ 4,342,786
6 Assessment and Evaluation	0.00	\$ -	\$ -	\$ -	4.00	\$ -	\$ 425,818	\$ 425,818	4.00	\$ -	\$ 425,818	\$ 425,818
Subtotal	0.00	\$ -	\$ -	\$ -	83.96	\$ 871,933	\$ 6,350,491	\$ 7,222,424	83.96	\$ 871,933	\$ 6,350,491	\$ 7,222,424
Operating Expenses & Support Costs												
1 Consultants and Professional Services		\$ -	\$ -	\$ -		\$ 50,000	\$ 695,813	\$ 745,813		\$ 50,000	\$ 695,813	\$ 745,813
2 Meetings and Related Costs		\$ -	\$ -	\$ -		\$ 55,000	\$ 705,135	\$ 760,135		\$ 55,000	\$ 705,135	\$ 760,135
3 Legal Costs		\$ -	\$ -	\$ -		\$ -	\$ 63,794	\$ 63,794		\$ -	\$ 63,794	\$ 63,794
4 Travel Related		\$ -	\$ -	\$ -		\$ 27,000	\$ 543,634	\$ 570,634		\$ 27,000	\$ 543,634	\$ 570,634
5 Utilities and Space Facilities Rental/Lease		\$ -	\$ -	\$ -		\$ 12,500	\$ 120,570	\$ 133,070		\$ 12,500	\$ 120,570	\$ 133,070
6 Computer/Office Equip/Supplies/Svc Maint		\$ -	\$ -	\$ -		\$ 46,966	\$ 338,211	\$ 385,177		\$ 46,966	\$ 338,211	\$ 385,177
7 Outside Services & Experts		\$ -	\$ -	\$ -		\$ 9,000	\$ 185,207	\$ 174,207		\$ 9,000	\$ 185,207	\$ 174,207
8 Other Office ²		\$ -	\$ -	\$ -		\$ 14,000	\$ 134,000	\$ 148,000		\$ 14,000	\$ 134,000	\$ 148,000
Subtotal		\$ -	\$ -	\$ -		\$ 214,466	\$ 2,766,364	\$ 2,960,830		\$ 214,466	\$ 2,766,364	\$ 2,960,830
Personnel & Operating Costs Before Recharges		\$ -	\$ -	\$ -		\$ 1,086,399	\$ 9,116,855	\$ 10,203,254		\$ 1,086,399	\$ 9,116,855	\$ 10,203,254
Recharges												
Recharges		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Personnel and Operating Costs Net of Recharges		\$ -	\$ -	\$ -		\$ 1,086,399	\$ 9,116,855	\$ 10,203,254		\$ 1,086,399	\$ 9,116,855	\$ 10,203,254
Program Costs and Fund Flowthrough												
Campus operating support (SMI, COSMOS)		\$ -	\$ -	\$ -		\$ 644,000	\$ 750,000	\$ 1,394,000		\$ 644,000	\$ 750,000	\$ 1,394,000
External Evaluation (COSMOS)		\$ -	\$ -	\$ -		\$ -	\$ 80,123	\$ 80,123		\$ -	\$ 80,123	\$ 80,123
Sub agreements (GEAR UP, MESA, CSMP)		\$ -	\$ -	\$ -		\$ 2,600,000	\$ 10,524,702	\$ 13,124,702		\$ 2,600,000	\$ 10,524,702	\$ 13,124,702
AWPE committee support ³		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Indirect Costs (Punkte, GEAR UP) ⁴		\$ -	\$ -	\$ -		\$ -	\$ 286,817	\$ 286,817		\$ -	\$ 286,817	\$ 286,817
Other Subwards (SAPEP, MDTP, Puente)		\$ -	\$ -	\$ -		\$ -	\$ 4,538,107	\$ 4,538,107		\$ -	\$ 4,538,107	\$ 4,538,107
Outside Service Vendors (TES, GEAR UP) ⁵		\$ -	\$ -	\$ -		\$ -	\$ 724,689	\$ 724,689		\$ -	\$ 724,689	\$ 724,689
Scholarships (GEAR UP, COSMOS) ⁶		\$ -	\$ -	\$ -		\$ -	\$ 716,000	\$ 716,000		\$ -	\$ 716,000	\$ 716,000
Subtotal		\$ -	\$ -	\$ -		\$ 3,244,000	\$ 17,620,438	\$ 20,864,438		\$ 3,244,000	\$ 17,620,438	\$ 20,864,438
Grand Total		0.00	\$ -	\$ -	83.96	\$ 4,330,399	\$ 26,737,293	\$ 31,067,692	83.96	\$ 4,330,399	\$ 26,737,293	\$ 31,067,692

Notes of changes subsequent to March report:

- ¹ Increase in Personnel costs of \$272,499 unrestricted funds and \$1,991,867 restricted funds, and a net increase of 5.85 FTE overall
- 3.80 FTE and \$375,520 restricted funds increase due to transfer of Intersegmental Coordinating Committee from the Academic Affairs Immediate Office
- 1.00 FTE and \$122,338 unrestricted funds decrease in the Science and Math Initiative
- 1.00 FTE and \$100,749 restricted funds increase for Research and Evaluation Analyst position
- 1.00 FTE, \$41,605 unrestricted funds and \$41,605 restricted funds increase for Resource Development position
- 1.00 FTE, \$34,390 unrestricted funds and \$34,390 restricted funds increase for Contract and Grant Analyst position
- \$318,842 unrestricted funds and \$1,439,602 restricted funds increase due to position upgrades and budgeting vacancies at the midpoint of the salary range
- ² Decrease in Operating Expenses due to re-categorization of COSMOS scholarships from Other Office to Program Costs and Flow Through
- Net decrease in Program Costs and Flow Through attributed to the following:
 - ³ Elimination of Analytical Writing Placement Exam (AWPE) committee support-\$75,000 unrestricted funds
 - ⁴ Elimination of Puente Program indirect costs-\$241,000 restricted funds
 - ⁵ Reduction of AWPE contract expense; contract commitment was also budgeted in Student Affairs and Admissions-\$1,205,523 restricted funds
 - ⁶ Re-categorization of COSMOS scholarships from Other Office to Fund Flowthrough-\$140,000 restricted funds

BUSINESS OPERATIONS DIVISION

Immediate Office

Institutional Advancement

Financial Management

Human Resources & Benefits

Information Resources & Communications

Budget & Capital Resources

BUSINESS OPERATIONS DIVISION

The Division of Business Operations is responsible for policy development and oversight of the University's budget, business and organizational operations and financial management. Functions include Systemwide and Office of the President budgets; Human Resources and Benefits; Informational Resources and Communications, and Financial Management.

Including the post-March adjustments, for Fiscal Year 2009-10, the Division proposes a decrease to its budget of unrestricted funds by \$7.7 million or 19%. Most of this decrease reflects shifting operations that were previously budgeted on unrestricted funds to restricted funds. Accordingly, the FY 2009-10 budget for restricted funds has increased by \$10.0 million. The overall budget for FY 2009-10 reflects a modest increase of \$2.3 million (less than 3%), reflecting the division's absorption of most consolidated business and budget functions that no longer are being provided by other divisions. These include business services, project and change management, technology support and budget.

Business Operations Immediate Office

The Immediate Office of Business Operations has increased its base budget of unrestricted funds by \$629,722 or 17.05% since FY 2008-09. This increase is mostly attributable the addition of a Restructuring Contingency to allow the EVP of Business Operations flexibility in staffing to meet the workload of both the Immediate Office and the Division. The FY 2009-10 budget for restricted funds has increased by \$363,000 that reflects a transfer of funding for the Institutional Advancement unit from unrestricted to restricted (see below). The total budget (unrestricted and restricted together) has increased by \$992,477.

Budget and Capital Resources

For FY 2009-10, the Systemwide Budget Office will be combined with Facilities Administration. The new unit will be named Budget and Capital Resources. Although this merger was announced in October 2008, the new unit is still undergoing a detail design that will determine its ultimate staffing and fiscal needs for FY 2009-10 and beyond. Therefore, this request simply reflects the combination of FY 2008-09 budgets for each unit as the base for FY 2009-10.

The FY 2009-10 budget proposal achieves a cut of approximately 10% in the use of unrestricted funds through the elimination of one position in Budget Operations area and the shifting of a portion or all funding for nine other positions (4.29 FTE) to Plant Pool Earnings (a restricted fund source for expenses related to the capital program known as PPE). In terms of dollars, this reduction in unrestricted funds totals \$528,259. The total budget (unrestricted and restricted together) has decreased by \$60,607.

Human Resources and Benefits

The Office of Human Resource and Benefits has reduced its base budget of unrestricted funds by \$4.6 million, or 37.84%. For the most part, this reduction reflects a reallocation of resources from unrestricted funds to restricted funds. As such, the budget for restricted funds has increased by approximately \$5 million. The total budget (unrestricted and restricted together) has increased by \$403,771 or slightly less than 1%. The net increase to the budget is largely accounted for in additional legal costs that have become necessary to support the University in its bargaining with labor unions regarding the re-establishment of employee contributions to UCRP.

Financial Management

For FY 2009-10, the budget for the newly created Chief Financial Officer's Immediate Office is being reported within Financial Management and consolidated within Business Operations. (In future years, the Chief Financial Officer will be reported as a stand alone consolidation to include the Immediate Office and all of Financial Management.) Salaries and Benefits for the Chief Financial Officer reflect a net addition of two FTE and \$548,704 to the Appropriations Proposal submitted in March. Including these post-March presentation changes, Financial Management has reduced its budget of unrestricted funds by approximately \$2.0 million or 30%. Much of this amount reflects a shift of existing programs from unrestricted funding to restricted funding based on a re-evaluation of staff time and effort. The FY 2009-10 budget for restricted funds has increased by \$3.7 million resulting in an overall budget increase of \$1.6 million. The overall increase is due to not only the addition of the Chief Financial Officer's Immediate Office, but also the transfer of several new and existing functional units to Financial Management, including the consolidated business services unit and systemwide travel management.

Information Resources and Communications

IR&C has reduced its unrestricted funds budget by about \$1.1 million or 9%, through a transfer of activities to restricted funding and the elimination of 2 net FTE. The total budget (unrestricted and restricted together) has decreased by about \$600,000 or 2.8% after taking into account new external recharges. Campuses continue to engage IR&C for an increasing variety of services, consolidating workload where economies of scale can lower University costs.

Institutional Advancement

Institutional Advancement has achieved a 15% reduction in its budget by eliminating one part-time position (0.40) of one FTE and transferring 4.00 FTE from unrestricted funding to restricted funding (Lee Jacks). This transfer accurately reflects the unit's considerable responsibilities for the administration and oversight of restricted endowments. The total budget has decreased by \$80,291.

University of California Office of the President
FY 2009-10 Appropriations Proposal

DIVISION: Business Operations	REVISED FY 2008-09 Budget After Mid Year Reductions				PROPOSED FY 2009-10 Budget				ADJUSTMENTS against FY 2008-09 Budget to derive FY 2009-10 Budget			
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
Salary & Benefits by Functional Unit												
1 Business Operations Immediate Office	27.00	\$ 2,950,644	\$ 74,106	\$ 3,024,750	26.00	\$ 3,623,412	\$ 74,106	\$ 3,697,518	-1.00	\$ 672,768	\$ -	\$ 672,768
2 Institutional Advancement	4.40	\$ 442,996	\$ 93,969	\$ 536,965	4.00	\$ -	\$ 456,674	\$ 456,674	-0.40	\$ (442,996)	\$ 362,705	\$ (80,291)
3 Financial Management	132.35	\$ 6,405,209	\$ 5,913,555	\$ 12,318,764	133.35	\$ 4,005,575	\$ 8,879,893	\$ 12,885,468	1.00	\$ (2,393,634)	\$ 2,966,338	\$ 566,704
4 Human Resources and Benefits	186.00	\$ 2,822,952	\$ 14,181,908	\$ 17,004,860	186.00	\$ 3,762,463	\$ 13,246,340	\$ 17,008,803	0.00	\$ 939,511	\$ (935,568)	\$ 3,943
5 Information Resources and Communications	149.00	\$ 6,904,263	\$ 7,836,388	\$ 14,740,651	147.00	\$ 6,109,949	\$ 8,552,386	\$ 14,662,335	-2.00	\$ (794,314)	\$ 715,998	\$ (78,316)
6 Systemwide Budget Office & Facilities Admin.	52.00	\$ 5,407,410	\$ 270,408	\$ 5,677,818	51.00	\$ 4,854,151	\$ 738,060	\$ 5,592,211	-1.00	\$ (553,259)	\$ 467,652	\$ (85,607)
Subtotal	550.75	\$ 24,933,474	\$ 28,370,334	\$ 53,303,808	547.35	\$ 22,355,550	\$ 31,947,459	\$ 54,303,009	-3.40	\$ (2,577,924)	\$ 3,577,125	\$ 999,201
Operating Expenses & Support Costs												
1 Consultants & Professional Services		\$ 4,611,348	\$ 9,425,214	\$ 14,036,562		\$ 2,533,579	\$ 12,026,793	\$ 14,560,372		\$ (2,077,769)	\$ 2,601,579	\$ 523,810
2 Meetings & Related Costs		\$ 199,927	\$ 372,888	\$ 572,815		\$ 144,211	\$ 356,875	\$ 501,086		\$ (55,716)	\$ (15,813)	\$ (71,529)
3 Legal Costs		\$ 404,958	\$ 817,460	\$ 1,222,418		\$ 502,161	\$ 1,089,111	\$ 1,591,272		\$ 97,203	\$ 271,651	\$ 368,854
4 Travel Related		\$ 243,160	\$ 631,345	\$ 874,505		\$ 214,933	\$ 566,836	\$ 781,769		\$ (28,227)	\$ (64,509)	\$ (92,736)
5 Utilities & Space Facilities Rental/Lease		\$ 936,626	\$ 2,748,572	\$ 3,685,198		\$ 1,234,141	\$ 2,794,183	\$ 4,028,324		\$ 297,515	\$ 45,611	\$ 343,126
6 Computer, Office Equip/Supplies/Svc Maint		\$ 3,706,676	\$ 10,879,344	\$ 14,586,020		\$ 3,366,548	\$ 11,276,308	\$ 14,642,856		\$ (340,128)	\$ 396,964	\$ 56,836
7 Outside Services & Experts		\$ 1,421,306	\$ 3,142,037	\$ 4,563,343		\$ 214,904	\$ 4,556,181	\$ 4,771,085		\$ (1,206,402)	\$ 1,414,144	\$ 207,742
8 Other Office		\$ 1,999,255	\$ 4,286,047	\$ 6,285,302		\$ 1,506,758	\$ 5,067,308	\$ 6,574,066		\$ (482,497)	\$ 781,261	\$ 288,764
S&E related to Institutional Adv (transf from ER)		\$ 63,351	\$ -	\$ 63,351		\$ 63,351	\$ -	\$ 63,351		\$ -	\$ -	\$ -
S&E related to Mail Svcs (transfer from FA)		\$ 12,628	\$ 145,674	\$ 158,302		\$ 12,628	\$ 145,674	\$ 158,302		\$ -	\$ -	\$ -
S&E related to Bldg Svcs (transfer from FA)		\$ 32,049	\$ 303,090	\$ 335,139		\$ 32,049	\$ 303,090	\$ 335,139		\$ -	\$ -	\$ -
UCSF HR Affiliation Agreement		\$ 948,008	\$ 1,482,782	\$ 2,430,790		\$ 948,008	\$ 1,482,782	\$ 2,430,790		\$ -	\$ -	\$ -
Subtotal		\$ 14,579,292	\$ 34,234,253	\$ 48,813,545		\$ 10,773,271	\$ 39,665,141	\$ 50,438,412		\$ (3,806,021)	\$ 5,430,888	\$ 1,624,867
Personnel & Operating Costs Before Recharges		\$ 39,512,766	\$ 62,604,587	\$ 102,117,353		\$ 33,128,821	\$ 71,612,600	\$ 104,741,421		\$ (6,383,945)	\$ 9,008,013	\$ 2,624,068
Recharges												
Recharges-External		\$ -	\$ (6,938,687)	\$ (6,938,687)		\$ -	\$ (7,397,644)	\$ (7,397,644)		\$ -	\$ (458,957)	\$ (458,957)
Recharges-UCOP		\$ -	\$ (13,021,313)	\$ (13,021,313)		\$ -	\$ (12,801,275)	\$ (12,801,275)		\$ -	\$ 220,038	\$ 220,038
Subtotal		\$ -	\$ (19,960,000)	\$ (19,960,000)		\$ -	\$ (20,198,919)	\$ (20,198,919)		\$ -	\$ (238,919)	\$ (238,919)
Personnel & Operating Costs Net of Recharges		\$ 39,512,766	\$ 42,644,587	\$ 82,157,353		\$ 33,128,821	\$ 51,413,681	\$ 84,542,502		\$ (6,383,945)	\$ 8,769,094	\$ 2,385,149
Program Costs & Fund Flowthru												
Consolidated		\$ 1,369,651	\$ 5,679,136	\$ 7,048,787		\$ 70,557	\$ 6,925,252	\$ 6,995,809		\$ (1,299,094)	\$ 1,246,116	\$ (52,978)
Subtotal		\$ 1,369,651	\$ 5,679,136	\$ 7,048,787		\$ 70,557	\$ 6,925,252	\$ 6,995,809		\$ (1,299,094)	\$ 1,246,116	\$ (52,978)
Grand Total		\$ 40,882,417	\$ 48,323,723	\$ 89,206,140	547.35	\$ 33,199,378	\$ 58,338,933	\$ 91,538,311	-3.40	\$ (7,683,039)	\$ 10,015,210	\$ 2,332,171

Business Operations – Immediate Office

Katherine N. Lapp, Executive Vice President

Mission & Functions

Mission

The ***Business Operations*** division is responsible for the development and implementation of prudent control practices and recognized management techniques and establishment of division goals and guiding principles. Oversight and policy development is provided for all University business functions, including Systemwide Budget, Human Resources and Benefits, Facilities Administration, Financial Management, and Information Resources and Communication.

Functions

- Provide management oversight, leadership, direction and coordination of the activities carried out by the departments directly reporting to the Executive Vice President for Business Operations.
- Develop, coordinate and advocate for the UC Systemwide budget in consultation with The Regents, the President, the Provost, the Academic Senate, and the campuses and allocate the resources to the campuses, both operating and capital, on an annual basis.
- Provide management oversight for the Office of the President through implementation of prudent control practices, recognized management techniques, and effective policy development and oversight.
- Initiate new business projects and practices at the Office of the President and in coordination with the campuses to ensure that UC resources are utilized as efficiently and effectively as possible.
- Oversee the development and implementation of Regental and Presidential policies in all areas of the UC business functions to ensure effective and efficient processes for the activities of the University, including human resources policies, business and financial management policies, and information technology policies.
- Develop and administer a budget process for the Office of the President that provides a clear understanding of available fund sources and expenditures.
- Work with the Administrative Vice Chancellors and Budget Officers to establish a funding mechanism to support the technology needs of the University.
- Provide systemwide coordination of critical safety, security and information technology issues.
- In FY0809, acquired oversight of Institutional Advancement (IA). IA develops and interprets fundraising and support group policies; and provides

services to the campuses in approving campus gift actions as well as assisting in structuring gift agreements and providing counsel related to virtually every aspect of large gift giving.

Significant Budget Changes and Proposals

Since the March presentation, the *Immediate Office of Business Operations* has increased its budget in unrestricted funds by \$1,028,030. An amount of \$628,030 was added to Salaries and Benefits as a Restructuring Contingency that will allow the EVP flexibility in staffing to meet the workload within the Immediate Office as well as the Division. Depending on resource requirements, this could mean the addition of up to six FTE. In addition a one-time amount of \$300,000 was added to Utilities & Space Facilities Rental/Lease to provide security upgrades to the downtown Oakland building. The third and final adjustment reflects an additional \$100,000 added to Other Office expenses for contract security services at the 1111 Franklin St. building per recommendations of outside experts.

Including these post-March presentation changes, the Immediate Office of Business Operations has increased its budget of unrestricted funds by \$629,722 or 17.05% since 2008-09. The total budget (unrestricted and restricted together) has increased by \$992,447.

The following discussion was presented in March. In March, the Immediate Office of Business Operations reported reductions in unrestricted funds principally in the Institutional Advancement Unit through the elimination of a part-time position (0.40 FTE) and the transfer of 4.00 FTEs (Administrative Analyst, Assistant Vice President, Director, and an Administrative Assistant III) from unrestricted funding to restricted funding (Lee Jacks).

For FY0809 and FY0910 the Immediate Office of Business Operations includes two new functional units: the Office of Project / Change Management; and the Divisional Strategic Resource Coordination Team (SRCT). The Office of Project / Change Management is charged with continuing to support the OP restructuring effort as well as to lead future change efforts at OP and on the campuses. The SRCT manages and coordinates divisional activities related to human resource actions, budget/fiscal analysis, facilities/space coordination, and large meeting/conference planning. They provide operational expertise and consultation to department managers and supervisors in these areas.

In addition, two existing functional areas are being transferred to the Business Operations Immediate Office: Building Services, and Mail Services. These units were previously accounted for in Facilities Administration. Going forward they will be reported as a single unit, Building and Mail Services. Most of the activity in these units is recharged to other UCOP departments.

University of California Office of the President
FY 2009-10 Appropriations Proposal

Department: Business Operations--Immediate Office		REVISED FY 2008-09 Budget After Mid Year Reductions				PROPOSED FY 2009-10 Budget				ADJUSTMENTS against FY 2008-09 Budget to derive FY 2009-10 Budget			
		FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
Salary & Benefits by Functional Unit													
1	Immediate Office-Executive Vice President	7.00	\$ 1,184,420	\$ -	\$ 1,184,420	6.00	\$ 1,115,209	\$ -	\$ 1,115,209	-1.00	\$ (69,211)	\$ -	\$ (69,211)
2	Consolidated OP Budget Utility Group	7.00	\$ 746,855	\$ -	\$ 746,855	7.00	\$ 746,855	\$ -	\$ 746,855	0.00	\$ -	\$ -	\$ -
3	Institutional Advancement	4.40	\$ 442,996	\$ 93,969	\$ 536,965	4.00	\$ 429,677	\$ 458,674	\$ 888,351	-0.40	\$ (442,996)	\$ 362,705	\$ (80,291)
4	Project/Change Management Office	3.00	\$ 315,728	\$ -	\$ 315,728	3.00	\$ 298,457	\$ -	\$ 298,457	0.00	\$ 113,949	\$ -	\$ 113,949
5	Divisional Strategic Resource Coordination Team	3.00	\$ 298,457	\$ -	\$ 298,457	3.00	\$ 298,457	\$ -	\$ 298,457	0.00	\$ -	\$ -	\$ -
6	Mail Services (transfer from IR&C)	4.00	\$ 137,939	\$ 43,881	\$ 181,820	4.00	\$ 137,939	\$ 43,881	\$ 181,820	0.00	\$ -	\$ -	\$ -
7	Building Services (transfer from FA)	3.00	\$ 267,245	\$ 30,225	\$ 297,470	3.00	\$ 267,245	\$ 30,225	\$ 297,470	0.00	\$ -	\$ -	\$ -
	Restructuring Contingency ¹	0.00	\$ -	\$ -	\$ -	0.00	\$ 628,030	\$ -	\$ 628,030	0.00	\$ 628,030	\$ -	\$ 628,030
	Subtotal	31.40	\$ 3,393,640	\$ 168,075	\$ 3,561,715	30.00	\$ 3,623,412	\$ 530,780	\$ 4,154,192	-1.40	\$ 229,772	\$ 362,705	\$ 592,477
Operating Expenses & Support Costs													
1	Consultants & Professional Services		\$ 75,000	\$ 2,500	\$ 77,500		\$ 75,000	\$ 2,500	\$ 77,500		\$ -	\$ -	\$ -
2	Meetings & Related Costs		\$ 12,000	\$ 1,000	\$ 13,000		\$ 12,000	\$ 1,000	\$ 13,000		\$ -	\$ -	\$ -
3	Legal Costs		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
4	Travel Related		\$ 21,000	\$ 15,000	\$ 36,000		\$ 21,000	\$ 15,000	\$ 36,000		\$ -	\$ -	\$ -
5	Utilities & Space Facilities Rental/Lease ²		\$ -	\$ -	\$ -		\$ 300,000	\$ -	\$ 300,000		\$ 300,000	\$ -	\$ 300,000
6	Computer, Office Equip/Supplies/Svc Maint		\$ 10,000	\$ 10,000	\$ 20,000		\$ 10,000	\$ 10,000	\$ 20,000		\$ -	\$ -	\$ -
7	Outside Services & Experts		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
8	Other Office ³		\$ 73,778	\$ 25,000	\$ 98,778		\$ 173,778	\$ 25,000	\$ 198,778		\$ 100,000	\$ -	\$ 100,000
	S&E related to Institutional Adv (transfer from ER)		\$ 63,351	\$ -	\$ 63,351		\$ 63,351	\$ -	\$ 63,351		\$ -	\$ -	\$ -
	S&E related to Mail Svcs (transfer from FA)		\$ 12,628	\$ 145,674	\$ 158,302		\$ 12,628	\$ 145,674	\$ 158,302		\$ -	\$ -	\$ -
	S&E related to Bldg Svcs (transfer from FA)		\$ 32,049	\$ 303,090	\$ 335,139		\$ 32,049	\$ 303,090	\$ 335,139		\$ -	\$ -	\$ -
	Subtotal		\$ 299,806	\$ 502,264	\$ 802,070		\$ 699,806	\$ 502,264	\$ 1,202,070		\$ 400,000	\$ -	\$ 400,000
Personnel & Operating Costs Before Recharges													
	Recharges												
	Recharges-External		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
	Recharges-UUCOP		\$ -	\$ (501,275)	\$ (501,275)		\$ -	\$ (501,275)	\$ (501,275)		\$ -	\$ -	\$ -
	Subtotal		\$ -	\$ (501,275)	\$ (501,275)		\$ -	\$ (501,275)	\$ (501,275)		\$ -	\$ -	\$ -
Personnel & Operating Costs Net of Recharges													
	Program Costs & Fund Flowthru												
	Identify Program/function		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
	Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
	Grand Total	31.40	\$ 3,693,446	\$ 169,064	\$ 3,862,510	30.00	\$ 4,323,218	\$ 531,769	\$ 4,854,987	-1.40	\$ 629,772	\$ 362,705	\$ 992,477

¹ A Restructuring Contingency has been added to Salaries and Benefits for the Immediate Office of Business Operations to provide the EVP some flexibility in staffing to meet the workload within the Immediate Office as well as the Division. This represents a potential increase of up to \$628,030 to the Appropriations Proposal submitted in March.

² An amount of \$300,000 has been added to Operating Expenses and Support Costs under Utilities & Space Facilities Rental/Leases for security upgrades to the downtown Oakland building. This is a one-time cost.

³ An amount of \$100,000 has been added to Operating Expenses and Support Costs under Other Office for contract security services at the 1111 Franklin Street building per recommendations of outside experts.

Financial Management

Anne Broome – Vice President

Mission & Functions

Mission

Financial Management is responsible for systemwide financial and tax policies, controls, and accounting, all treasury and external finance functions, systemwide procurement and strategic sourcing, systemwide risk management, and mortgage programs.

Functions

- **Systemwide Internal and External Banking Services:** Responsible for systemwide banking services and policy used in the administration of all UC funds.
- **Systemwide Cash Management:** Responsible for the University's Cash Management Function (approximately \$1.5 billion per month), which includes positioning daily cash, concentrating all account activity, processing all UCOP wire requests, funding all check and electronic (primarily payroll) disbursement accounts, sweeping all available depository accounts, and generating all Corporate Accounting entries.
- **Systemwide Financial Controls and Accountability:** Responsible for systemwide development and oversight of local programs to promote internal control and compliance with accounting and financial control standards. Coordinate campus Controller reporting relationships and the development and delivery of systemwide financial management training program (Business Officer Institute);
- **External Finance:** Responsible for the development of University debt strategy, capacity, and affordability; all systemwide external debt issues including policy development, debt issuance, and management as well as the coordination of capital and debt management requirements at all University locations;
- **Systemwide Finance Policy, Accounting and Reporting:** Responsible for UC financial accounting policy and the consolidated financial reporting under GAAP for campuses, medical centers, UCRS and foundations. Maintains the Corporate Financial Reporting (CFR) system and coordinates the systemwide annual fiscal close and external audit. Responsible for UC debt accounting, reporting and administration.
- **Systemwide Endowment and Investment Accounting:** Responsible for centralized accounting and financial reporting (GAAP) for endowment funds, campus foundations, and other UC affiliated organizations and deferred gifts. Also responsible for participant accounting for the GEP, HIP and STIP, and

for accounting and recording investment activity for the UCRP and UCRSP funds, including pool processing for the UCRP and DOE Laboratory segments.

- **Financial Planning and Analysis (FPA):** Responsible for financial planning and support for auxiliary business operations, including reviewing new campus construction, facilities or business development for project objectives and financial feasibility. Manages the Debt Management System (DMS) to assist campuses in planning efforts.
- **Risk Services:** Responsible for development and implementation of systemwide risk financing programs including insurance and self-insurance and the management of claims and litigation associated with these programs. Provides oversight of EH&S and implementation of systemwide loss control and loss prevention programs.
- **Strategic Sourcing and Systemwide Procurement Policy:** Provides systemwide support for collaboration among various campuses for the strategic sourcing program and procurement as well as for e-commerce systems, including catalog management.
- **Systemwide Travel Management:** Responsible for the new systemwide Travel Management program, negotiate contracts for agencies, hotels, rental cars, and airlines, and monitor usage and cost savings;
- **Office of Loan Programs:** Responsible for designing, developing and administering customized mortgage programs to support faculty/staff recruitment and retention, as well as providing loan processing approval, funding, loan servicing and accounting, loan portfolio sales and management of investor relations.
- **Business Resource Center:** Responsible for processing transactions related to general purchasing, travel and entertainment, payroll, recharges and grant awards for all OP departments except the Officers of The Regents.

Significant Budget Changes and Proposals

Since the March presentation, *Financial Management* has increased its budget of unrestricted funds by \$329,223. This amount along with an additional amount of \$219,481 in restricted funds was added to Salaries and Benefits to create the base budget for the Chief Financial Officer (CFO) and his associated support staff. The total budget for the CFO for FY0910 is \$548,704. Please note that in future years the CFO will be reported as a stand alone consolidation to include the Immediate Office and all of Financial Management.

Including these post-March presentation changes, the total budget (unrestricted and restricted together) has increased by approximately \$1.6 million since FY0809, which also includes the previously reported transfer of several new and existing functional units to Financial Management.

For FY0910, salaries and benefits increased by \$566,704 against the FY0809 base of \$12.3 million. The FY0809 base for operating expenses is \$3.17 million. For units that were in Financial Management for both FY0809 and FY0910, the proposed base budget has been reduced by \$727 thousand, or 23%; from \$3.17 million to \$2.44 million.

As noted above several new units or initiatives have been added to Financial Management for FY0910 that were not in the FY0809 base budget. The additional operating expenses for the new units or initiatives, specifically Office of Loan Programs, Business Resource Center, Treasury Workstation and Systemwide Travel total \$1.53 million.

For FY0910, proposed operating expenses and support costs for Financial Management are \$3.97 million, up \$800 thousand or 25% from the FY0809 base budget. The increase is a combination of a \$727 thousand, or 24%, decrease in existing departments that has been more than offset by the addition of new units in Financial Management that added \$1.53 million, or 48% to the FY0809 expense base. The remainder of the net increase is attributable to a \$350 thousand decrease in recharge revenues (elimination of a recharge unit - Payroll Cluster folded into the BRC) and a \$123 thousand decrease in program costs / funds flow-through (elimination of a nonrecurring cost for UC's system wide investment in the Quali general ledger project as the cash investment period has now been met). Davis, Santa Barbara and Irvine have the lead and continue to commit non-cash resources to the effort).

University of California Office of the President
FY 2009-10 Appropriations Proposal

Department: Financial Management	REVISED FY 2008-09 Budget After Mid Year Reductions				PROPOSED FY 2009-10 Budget				ADJUSTMENTS against FY 2008-09 Budget to derive FY 2009-10 Budget			
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
Salary & Benefits by Functional Unit												
1 Immediate Office of the Vice President	2.00	\$ 437,857	\$ -	\$ 437,857	2.00	\$ 293,592	\$ 144,265	\$ 437,857	0.00	\$ (144,265)	\$ 144,265	\$ -
2 Control & Accountability	2.00	\$ 252,148	\$ 69,328	\$ 321,476	2.00	\$ 155,705	\$ 165,771	\$ 321,476	0.00	\$ (96,443)	\$ 96,443	\$ -
3 Banking Services, Treasury Cash Management	5.00	\$ -	\$ 494,205	\$ 494,205	5.00	\$ -	\$ 494,205	\$ 494,205	0.00	\$ -	\$ -	\$ -
4 Travel Management Services	3.00	\$ 283,389	\$ -	\$ 283,389	3.00	\$ 283,389	\$ -	\$ 283,389	0.00	\$ -	\$ -	\$ -
5 Strategic Sourcing	10.80	\$ -	\$ 1,200,259	\$ 1,200,259	10.80	\$ -	\$ 1,200,259	\$ 1,200,259	0.00	\$ -	\$ -	\$ -
6 Risk Services	15.00	\$ -	\$ 1,547,885	\$ 1,547,885	15.00	\$ -	\$ 1,547,885	\$ 1,547,885	0.00	\$ -	\$ -	\$ -
7 Financial Management	2.00	\$ 240,287	\$ 108,277	\$ 348,564	3.00	\$ 226,873	\$ 268,798	\$ 495,671	1.00	\$ (13,414)	\$ 160,521	\$ 147,107
8 Payroll Coordination & Tax Services	6.00	\$ 577,901	\$ -	\$ 577,901	5.00	\$ 428,728	\$ 80,466	\$ 509,194	-1.00	\$ (149,173)	\$ 80,466	\$ (68,707)
9 Endowment & Investment Accounting	8.00	\$ -	\$ 690,598	\$ 690,598	8.00	\$ -	\$ 708,598	\$ 708,598	0.00	\$ -	\$ 18,000	\$ 18,000
10 Costing Policy and Analysis	2.00	\$ 259,691	\$ -	\$ 259,691	2.00	\$ 81,974	\$ 177,717	\$ 259,691	0.00	\$ (177,717)	\$ 177,717	\$ -
11 General Accounting	8.80	\$ 732,321	\$ 129,447	\$ 861,768	8.80	\$ 427,626	\$ 434,142	\$ 861,768	0.00	\$ (304,695)	\$ 304,695	\$ (78,400)
12 Financial Planning & Analysis	2.00	\$ 212,115	\$ -	\$ 212,115	1.00	\$ 73,715	\$ 60,000	\$ 133,715	-1.00	\$ (138,400)	\$ 60,000	\$ -
13 External Financing	5.00	\$ -	\$ 708,399	\$ 708,399	5.00	\$ -	\$ 708,399	\$ 708,399	0.00	\$ -	\$ -	\$ -
14 Office of Loan Programs	11.75	\$ -	\$ 965,157	\$ 965,157	11.75	\$ -	\$ 965,157	\$ 965,157	0.00	\$ -	\$ -	\$ -
15 Business Resources Center	49.00	\$ 3,409,500	\$ -	\$ 3,409,500	49.00	\$ 1,704,750	\$ 1,704,750	\$ 3,409,500	0.00	\$ (1,704,750)	\$ 1,704,750	\$ -
16 Chief Financial Officer Immediate Office ¹	0.00	\$ -	\$ -	\$ -	2.00	\$ 329,223	\$ 219,481	\$ 548,704	2.00	\$ 329,223	\$ 219,481	\$ 548,704
Subtotal	132.35	\$ 6,405,209	\$ 5,913,555	\$ 12,318,764	133.35	\$ 4,005,575	\$ 8,879,893	\$ 12,885,468	1.00	\$ (2,399,634)	\$ 2,966,338	\$ 566,704
Operating Expenses & Support Costs												
1 Consultants and Professional Services		\$ 39,923	\$ 226,230	\$ 266,153		\$ 188,407	\$ 515,156	\$ 703,563		\$ 148,484	\$ 288,926	\$ 437,410
2 Meetings & Related Costs		\$ 30,639	\$ 116,956	\$ 147,595		\$ 25,810	\$ 50,256	\$ 76,066		\$ (4,829)	\$ (66,700)	\$ (71,529)
3 Legal Costs		\$ 17,797	\$ 100,849	\$ 118,646		\$ 115,000	\$ 12,500	\$ 127,500		\$ 97,203	\$ (88,349)	\$ 8,854
4 Travel Related		\$ 59,745	\$ 285,891	\$ 345,636		\$ 49,705	\$ 224,792	\$ 274,497		\$ (10,040)	\$ (61,099)	\$ (71,139)
5 Utilities and Space Facilities Rental/Lease		\$ 12,385	\$ 115,184	\$ 127,569		\$ 9,900	\$ 160,795	\$ 170,695		\$ (2,485)	\$ 45,611	\$ 43,126
6 Computer/Office Equip/Supplies/Svc Maint		\$ 41,447	\$ 178,202	\$ 219,649		\$ 54,495	\$ 221,990	\$ 276,485		\$ 13,048	\$ 43,788	\$ 56,836
7 Outside Services & Experts		\$ 140,778	\$ 791,076	\$ 931,854		\$ 95,769	\$ 1,043,827	\$ 1,139,596		\$ (45,009)	\$ 252,751	\$ 207,742
8 Other Office		\$ 110,943	\$ 902,013	\$ 1,012,956		\$ 240,463	\$ 961,257	\$ 1,201,720		\$ 129,520	\$ 59,244	\$ 188,764
Subtotal		\$ 453,657	\$ 2,716,401	\$ 3,170,058		\$ 779,549	\$ 3,190,573	\$ 3,970,122		\$ 325,892	\$ 474,172	\$ 800,064
Personnel & Operating Costs Before Recharges		\$ 6,858,866	\$ 8,629,956	\$ 15,488,822		\$ 4,785,124	\$ 12,070,466	\$ 16,855,590		\$ (2,073,742)	\$ 3,440,510	\$ 1,366,768
Recharges												
Recharges-External		\$ -	\$ (3,638,687)	\$ (3,638,687)		\$ -	\$ (3,522,644)	\$ (3,522,644)		\$ -	\$ 116,043	\$ 116,043
Recharges-UCOP		\$ -	\$ (234,025)	\$ (234,025)		\$ -	\$ -	\$ -		\$ -	\$ 234,025	\$ 234,025
Subtotal		\$ -	\$ (3,872,712)	\$ (3,872,712)		\$ -	\$ (3,522,644)	\$ (3,522,644)		\$ -	\$ 350,068	\$ 350,068
Personnel & Operating Costs Net of Recharges		\$ 6,858,866	\$ 4,757,244	\$ 11,616,110		\$ 4,785,124	\$ 8,547,822	\$ 13,332,946		\$ (2,073,742)	\$ 3,790,578	\$ 1,716,836
Program Costs and Fund Flow thru												
Kuali Fdn development of systemwide financial system		\$ -	\$ 136,455	\$ 136,455		\$ -	\$ -	\$ -		\$ -	\$ (136,455)	\$ (136,455)
Systemwide Audit Contract Fees		\$ -	\$ 682,080	\$ 682,080		\$ -	\$ 695,000	\$ 695,000		\$ -	\$ 12,920	\$ 12,920
Subtotal		\$ -	\$ 818,535	\$ 818,535	132.35	\$ 4,785,124	\$ 9,242,822	\$ 14,027,946	1.00	\$ (2,073,742)	\$ 3,667,043	\$ (123,535)
Grand Total		\$ 6,858,866	\$ 5,575,779	\$ 12,434,645	132.35	\$ 4,785,124	\$ 9,242,822	\$ 14,027,946	1.00	\$ (2,073,742)	\$ 3,667,043	\$ 1,593,301

¹ For FY0910, the Salaries and Benefits for the newly created Chief Financial Officer's Immediate Office are being reported within Financial Management and consolidated within Business Operations. In future years, the Chief Financial Officer will be reported as a stand alone consolidation to include the Immediate Office and all of Financial Management. Salaries and Benefits for the Chief Financial Officer reflects a net addition of two FTE and \$548,704 to the Appropriations Proposal submitted in March. This includes the Chief Financial Officer (appointed by the Regents' Committee on Compensation at their meeting on March 19, 2009 pursuant to action item C2 - APPROVAL OF INTERIM SLOTTING AND COMPENSATION FOR PETER J. TAYLOR AS EXECUTIVE VICE PRESIDENT AND CHIEF FINANCIAL OFFICER, OFFICE OF THE PRESIDENT, AS DISCUSSED IN REGENT'S ONLY SESSION) and an Executive Secretary.

Human Resources and Benefits

John Cammidge – Acting Associate Vice President of Human Resources and Benefits

Mission & Functions

Mission

The ***Office of Human Resources and Benefits*** provides systemwide leadership of a progressive human resources system to build and sustain a diverse faculty and staff that will most effectively support the University of California's mission of teaching, research, and public service.

Functions

The systemwide Office of Human Resources and Benefits (HRB) serves a mix of constituencies, both academic and staff, in an array of functions and activities. UC administers its own pension and medical plans, which consume about 80% of HRB staffing, resources and funding. These programs are funded by health and welfare benefit funds and the retirement plan trust – funds that cannot be commingled with state and common funds for other purposes.

State and common funds primarily support UCOP HR services, a large and legally mandated Labor Relations function, and critical HR functions including compensation, policy, senior management program administration, diversity and Affirmative Action/EEO oversight, employee relations, strategic planning and program design, and information systems support.

HRB is organized around four units, which collectively provide service and leadership for the following primary functions:

- Oversee human resources policy and employee relations for non-represented staff employees and compensation for staff employees;
- Coordinate labor relations, as mandated by state and federal labor laws, for academic and staff employees, including central responsibility for implementation and compliance with collective bargaining agreements and labor & employment laws. UC has 16 unions and 24 local and systemwide bargaining units, representing nearly 74,000 employees;
- Provide benefits planning, design and administration for the University of California community - over 300,000 faculty, academic and staff employees, retirees, and their family members covered by the University's plans and programs;
- Oversee Diversity and Affirmative Action/Equal Employment Opportunity programs for staff employees;

- Administer the human resources program and benefits for the Senior Management Group, including detailed support for the Regents' oversight role for over 500 employees in the Senior Leadership Compensation Group;
- Manage centralized information systems, human resources policy and program compliance, customer service, research and planning support for human resources functional areas and their related constituents;
- Provide systemwide human resources strategic planning, policy, and program development;
- Serve in a fiduciary role as plan administrator for UC's health, welfare and retirement plans and programs;
- Provide programmatic funding and oversight/monitoring for certain systemwide human resources programs at locations.

Significant Budget Changes and Proposals

The *Office of Human Resources and Benefits* has reduced its budget of unrestricted funds by \$4,564,729 or 37.84% through the transfer of Operating Expenses & Support Costs to restricted funds. The total budget (unrestricted and restricted together) has increased by \$403,771 or slightly less than 1%, the majority of which falls within restricted funds. The net increase to the budget is largely accounted for in the Legal Cost non-payroll category. An amount of \$360,000 has been added to pay for outside legal counsel (Hanson Bridgett) who will engage in collective bargaining and other labor relations work related to re-establishing represented employee contributions to UCRP. In addition, \$70,557 has been added to Program Cost / Fund Flow-through to capture the funding for the Staff Advisors to The Regents and the Council of University of California Staff Assemblies (CUCSA). Finally, the HR&B Communications Unit, including 7.5 FTE and \$519,311 in salary and benefits costs, has been transferred from HRB to the consolidated Communications Unit in External Relations. The transfer of appropriate operating expenses for this unit is still under review.

**University of California Office of the President
FY 2009-10 Appropriations Proposal**

Department: Human Resources & Benefits	REVISED FY 2008-09 Budget After Mid Year Reductions					PROPOSED FY 2009-10 Budget					ADJUSTMENTS against FY 2008-09 Budget to derive FY 2009-10 Budget				
	FTE	Unrestricted	Restricted	Total Costs	Total Costs	FTE	Unrestricted	Restricted	Total Costs	Total Costs	FTE	Unrestricted	Restricted	Total Costs	
		\$	\$	\$	\$		\$	\$	\$	\$		\$	\$	\$	
Salary & Benefits by Functional Unit															
1 Office of the Associate VP	8.00	\$ 312,967	\$ 1,334,229	\$ 1,647,196	\$ 1,647,196	8.00	\$ 463,100	\$ 1,229,348	\$ 1,692,448	\$ 1,692,448	0.00	\$ 150,133	\$ (104,881)	\$ 45,252	
2 Systemwide HR & Benefits Strategy	2.00	\$ 38,516	\$ 164,202	\$ 202,718	\$ 202,718	2.00	\$ 39,908	\$ 159,632	\$ 199,540	\$ 199,540	0.00	\$ 1,392	\$ (4,570)	\$ (3,178)	
3 Information Systems Support	15.00	\$ 269,744	\$ 1,149,960	\$ 1,419,704	\$ 1,419,704	15.00	\$ 410,486	\$ 978,217	\$ 1,388,703	\$ 1,388,703	0.00	\$ 140,742	\$ (171,743)	\$ (31,001)	
4 Employee/Labor Relations	10.00	\$ 786,933	\$ 756,073	\$ 1,543,006	\$ 1,543,006	10.00	\$ 618,579	\$ 927,868	\$ 1,546,447	\$ 1,546,447	0.00	\$ (168,354)	\$ 171,795	\$ 3,441	
5 Sr Mgmt Comp, Policy & Exec Recruit	8.00	\$ 176,881	\$ 754,072	\$ 930,953	\$ 930,953	8.00	\$ 777,192	\$ 194,298	\$ 971,490	\$ 971,490	0.00	\$ 600,311	\$ (559,774)	\$ 40,537	
6 Staff Diversity	2.00	\$ 40,968	\$ 174,653	\$ 215,621	\$ 215,621	2.00	\$ 107,810	\$ 107,810	\$ 215,620	\$ 215,620	0.00	\$ 66,842	\$ (66,843)	\$ (1)	
7 Quality Assurance & Compliance	3.00	\$ 31,633	\$ 134,858	\$ 166,491	\$ 166,491	3.00	\$ 6,221	\$ 172,644	\$ 178,865	\$ 178,865	0.00	\$ (25,412)	\$ 37,786	\$ 12,374	
8 Vendor Management	13.00	\$ 224,410	\$ 956,695	\$ 1,181,105	\$ 1,181,105	13.00	\$ -	\$ 1,173,395	\$ 1,173,395	\$ 1,173,395	0.00	\$ (224,410)	\$ 216,700	\$ (7,710)	
9 Human Resources Compliance	7.00	\$ 141,067	\$ 601,390	\$ 742,457	\$ 742,457	7.00	\$ 157,127	\$ 603,536	\$ 760,663	\$ 760,663	0.00	\$ 16,060	\$ 2,146	\$ 18,206	
10 Employee Relations, Prgs, Policies & Svcs	5.00	\$ 121,327	\$ 517,236	\$ 638,563	\$ 638,563	5.00	\$ 227,930	\$ 410,633	\$ 638,563	\$ 638,563	0.00	\$ 106,603	\$ (106,603)	\$ -	
11 Program & Policies Resources	26.00	\$ 451,262	\$ 1,923,802	\$ 2,375,064	\$ 2,375,064	26.00	\$ 944,650	\$ 1,416,975	\$ 2,361,625	\$ 2,361,625	0.00	\$ 493,388	\$ (508,827)	\$ (13,439)	
12 Financial Services	16.00	\$ 227,244	\$ 968,778	\$ 1,196,022	\$ 1,196,022	16.00	\$ -	\$ 1,192,428	\$ 1,192,428	\$ 1,192,428	0.00	\$ (227,244)	\$ 223,650	\$ (3,594)	
13 Benefit and UCRS Administration	71.00	\$ -	\$ 4,745,960	\$ 4,745,960	\$ 4,745,960	71.00	\$ 9,460	\$ 4,679,556	\$ 4,689,016	\$ 4,689,016	0.00	\$ 9,460	\$ (66,404)	\$ (56,944)	
Subtotal	186.00	\$ 2,822,952	\$ 14,181,908	\$ 17,004,860	\$ 17,004,860	186.00	\$ 3,762,463	\$ 13,246,340	\$ 17,008,803	\$ 17,008,803	0.00	\$ 939,511	\$ (935,568)	\$ 3,943	
Operating Expenses & Support Costs															
1 Consultants and Professional Services		\$ 3,156,653	\$ 5,862,356	\$ 9,019,009	\$ 9,019,009		\$ 1,000,000	\$ 8,019,009	\$ 9,019,009	\$ 9,019,009		\$ (2,156,653)	\$ 2,156,653	\$ -	
2 Meetings & Related Costs		\$ 127,217	\$ 236,260	\$ 363,477	\$ 363,477		\$ 76,330	\$ 287,147	\$ 363,477	\$ 363,477		\$ (50,887)	\$ 50,887	\$ -	
3 Legal Costs		\$ 385,777	\$ 716,442	\$ 1,102,219	\$ 1,102,219		\$ 385,777	\$ 1,076,442	\$ 1,462,219	\$ 1,462,219		\$ -	\$ 360,000	\$ 360,000	
4 Travel Related		\$ 107,551	\$ 199,738	\$ 307,289	\$ 307,289		\$ 64,531	\$ 212,029	\$ 276,560	\$ 276,560		\$ (43,020)	\$ 12,291	\$ (30,729)	
5 Utilities and Space Facilities Rental/Lease		\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
6 Computer/Office Equip/Supplies/Svc Maint		\$ 177,939	\$ 330,458	\$ 508,397	\$ 508,397		\$ 106,763	\$ 401,634	\$ 508,397	\$ 508,397		\$ (71,176)	\$ 71,176	\$ -	
7 Outside Services & Experts		\$ 1,161,393	\$ 2,156,872	\$ 3,318,265	\$ 3,318,265		\$ -	\$ 3,318,265	\$ 3,318,265	\$ 3,318,265		\$ (1,161,393)	\$ 1,161,393	\$ -	
8 Other Office		\$ 1,805,042	\$ 3,352,222	\$ 5,157,264	\$ 5,157,264		\$ 1,063,025	\$ 4,074,239	\$ 5,157,264	\$ 5,157,264		\$ (722,017)	\$ 722,017	\$ -	
UCSF HR Affiliation Agreement		\$ 948,008	\$ 1,482,782	\$ 2,430,790	\$ 2,430,790		\$ 948,008	\$ 1,482,782	\$ 2,430,790	\$ 2,430,790		\$ -	\$ -	\$ -	
Subtotal		\$ 7,869,580	\$ 14,337,130	\$ 22,206,710	\$ 22,206,710		\$ 3,664,434	\$ 18,871,547	\$ 22,535,981	\$ 22,535,981		\$ (4,205,146)	\$ 4,534,417	\$ 329,271	
Personnel and Operating Costs Before Recharges		\$ 10,692,532	\$ 28,519,038	\$ 39,211,570	\$ 39,211,570		\$ 7,426,897	\$ 32,117,887	\$ 39,544,784	\$ 39,544,784		\$ (3,265,635)	\$ 3,598,849	\$ 333,214	
Recharges															
Recharges-External		\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Recharges-UCOP		\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Subtotal		\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Personnel and Operating Costs Net of Recharges		\$ 10,692,532	\$ 28,519,038	\$ 39,211,570	\$ 39,211,570		\$ 7,426,897	\$ 32,117,887	\$ 39,544,784	\$ 39,544,784		\$ (3,265,635)	\$ 3,598,849	\$ 333,214	
Program Costs and Fund Flowthrough															
Health Care Facilitator \$1,625,000		\$ 1,369,651	\$ 4,860,601	\$ 6,230,252	\$ 6,230,252		\$ 70,557	\$ 6,230,252	\$ 6,300,809	\$ 6,300,809		\$ (1,299,094)	\$ 1,369,651	\$ 70,557	
Subtotal		\$ 1,369,651	\$ 4,860,601	\$ 6,230,252	\$ 6,230,252		\$ 70,557	\$ 6,230,252	\$ 6,300,809	\$ 6,300,809		\$ (1,299,094)	\$ 1,369,651	\$ 70,557	
Grand Total		\$ 12,062,183	\$ 33,379,639	\$ 45,441,822	\$ 45,441,822	186.00	\$ 7,497,454	\$ 38,348,139	\$ 45,845,593	\$ 45,845,593	0.00	\$ (4,564,729)	\$ 4,968,500	\$ 403,771	

Information Resources and Communications

David Ernst, Associate Vice President

Mission & Functions

Information Resources and Communications (IR&C) provides information technology services to the Office of the President, individual campuses, and University-wide constituencies. Its major functions include:

- Strategic systemwide IT planning, governance and analysis
- Payroll for 7 UC campuses, plus Hastings and ASUCLA
- UC Retirement System (systemwide annuitant payments)
- At Your Service Online (employee access to benefits & pay information)
- Undergraduate Admissions (student applications etc. online)
- Endowment Investment & Accounting System (manages UC endowments)
- Corporate Data (collects institution-wide data for analysis and reporting)
- Web Services (maintains UCOP web sites and develops applications)
- Technical Support for UCOP staff and departments
- Records Management (archives key documents and correspondence)
- System-wide IT Procurement, in conjunction with Strategic Sourcing
- Managing the advanced network provider for the UC system
- FCC Licensing (coordinates campus licensing on behalf of the Regents)

Significant Budget Changes and Proposals

Since the March budget presentation, *IR&C* has added funding for 6 months of contract support to help it work through a backlog of critical applications and productivity improvements. This is a one-time addition of \$86,400 to the IR&C budget.

IR&C has reduced its unrestricted funds budget by about \$1.2 million or 10%, through a transfer of activities to restricted funding and the elimination of 2 net FTE. The total budget (unrestricted and restricted together) has decreased by about \$0.7 million or 3.2% after taking into account new external recharges. Campuses continue to engage IR&C for an increasing variety of services, consolidating workload where economies of scale can lower University costs.

Net changes to Salary and Benefits include:

- Technology Support Services (Windows Engineering) unrestricted salaries shifted to restricted Communication Access Fee (CAF) pending resolution of the Knowledge Worker funding plan
- Reduction of 2 FTE budgeted in unrestricted funds

Net changes to the non-payroll categories include:

- Decrease in travel in the amount of \$15,868
- Rebudget consultants and professional services (programmers hired for limited appointments) from unrestricted to restricted funds \$156,000
- Rebudget equipment and software maintenance from unrestricted to restricted funds \$282,000
- Increase in external recharges for new services to campuses \$575,000

University of California Office of the President
FY 2009-10 Appropriations Proposal

Department: Information Resources and Communications	REVISED FY 2008-09 Budget After Mid Year Reductions					PROPOSED FY 2009-10 Budget					ADJUSTMENTS against FY 2008-09 Budget to derive FY 2009-10 Budget				
	FTE	Unrestricted	Restricted	Total Costs		FTE	Unrestricted	Restricted	Total Costs		FTE	Unrestricted	Restricted	Total Costs	
Salary & Benefits by Functional Unit															
1 Immediate Office of the Associate VP	9.00	\$ 1,134,772	\$ 32,843	\$ 1,167,615		9.00	\$ 1,118,135	\$ 38,837	\$ 1,156,972		0.00	\$ (16,637)	\$ 5,994	\$ (10,643)	
2 Records Mgmt	4.00	\$ 223,062	\$ -	\$ 223,062		4.00	\$ 237,065	\$ -	\$ 237,065		0.00	\$ 14,003	\$ -	\$ 14,003	
3 Application & Technology Support Services	7.00	\$ 825,577	\$ 287,433	\$ 1,113,010		7.00	\$ 816,901	\$ 287,433	\$ 1,104,334		0.00	\$ (8,676)	\$ -	\$ (8,676)	
4 Technology Support Services	30.00	\$ 471,492	\$ 3,027,627	\$ 3,499,119		31.00	\$ -	\$ 3,623,567	\$ 3,623,567		1.00	\$ (471,492)	\$ 595,940	\$ 124,448	
5 Data Center	18.00	\$ -	\$ 1,097,811	\$ 1,097,811		18.00	\$ -	\$ 1,097,811	\$ 1,097,811		0.00	\$ -	\$ -	\$ -	
6 Technology Service Desk	20.00	\$ 1,191,816	\$ 346,433	\$ 1,538,249		19.00	\$ 1,081,701	\$ 381,873	\$ 1,463,574		-1.00	\$ (110,115)	\$ 35,440	\$ (74,675)	
7 Web Development & Operational Systems	12.00	\$ 370,883	\$ 760,741	\$ 1,131,624		12.00	\$ 248,080	\$ 883,544	\$ 1,131,624		0.00	\$ (122,803)	\$ 122,803	\$ -	
8 Data Warehouse & Corporate Systems	11.00	\$ 955,293	\$ 127,883	\$ 1,083,176		10.00	\$ 875,489	\$ 109,185	\$ 984,674		-1.00	\$ (79,804)	\$ (18,698)	\$ (98,502)	
9 Undergraduate Admission	3.00	\$ -	\$ 283,980	\$ 283,980		2.00	\$ -	\$ 184,315	\$ 184,315		-1.00	\$ -	\$ (99,665)	\$ (99,665)	
10 Employee Systems	7.00	\$ 339,554	\$ 514,251	\$ 853,805		7.00	\$ 79,907	\$ 748,636	\$ 828,543		0.00	\$ (259,647)	\$ 234,385	\$ (25,262)	
11 Payroll/Personnel Services	16.00	\$ 1,391,814	\$ 238,463	\$ 1,630,277		16.00	\$ 1,652,671	\$ 49,646	\$ 1,702,317		0.00	\$ 260,857	\$ (188,817)	\$ 72,040	
12 UCRS Maintenance	4.00	\$ -	\$ 380,746	\$ 380,746		4.00	\$ -	\$ 380,746	\$ 380,746		0.00	\$ -	\$ -	\$ -	
13 Operational Campus Payroll	8.00	\$ -	\$ 738,177	\$ 738,177		8.00	\$ -	\$ 766,793	\$ 766,793		0.00	\$ -	\$ 28,616	\$ 28,616	
Subtotal	149.00	\$ 6,904,263	\$ 7,836,388	\$ 14,740,651		147.00	\$ 6,109,949	\$ 8,552,386	\$ 14,662,335		-2.00	\$ (794,314)	\$ 715,998	\$ (78,316)	
Operating Expenses and Support Costs															
1 Consultants & Professional Services ¹		\$ 1,056,424	\$ 3,169,273	\$ 4,225,697			\$ 986,824	\$ 3,325,273	\$ 4,312,097			\$ (69,600)	\$ 156,000	\$ 86,400	
2 Meetings & Related Costs		\$ 4,869	\$ 14,607	\$ 19,476			\$ 4,869	\$ 14,607	\$ 19,476			\$ -	\$ -	\$ -	
3 Legal Costs		\$ -	\$ -	\$ -			\$ -	\$ -	\$ -			\$ -	\$ -	\$ -	
4 Travel Related		\$ 39,667	\$ 119,001	\$ 158,668			\$ 39,500	\$ 103,300	\$ 142,800			\$ (167)	\$ (15,701)	\$ (15,868)	
5 Utilities & Space Facilities Rental/Lease		\$ 863,271	\$ 2,589,813	\$ 3,453,084			\$ 863,271	\$ 2,589,813	\$ 3,453,084			\$ -	\$ -	\$ -	
6 Computer/Office Equip/Supplies/Svc Maint		\$ 3,450,300	\$ 10,350,901	\$ 13,801,201			\$ 3,168,300	\$ 10,632,901	\$ 13,801,201			\$ (282,000)	\$ 282,000	\$ -	
7 Outside Services & Experts		\$ 64,439	\$ 193,319	\$ 257,758			\$ 64,439	\$ 193,319	\$ 257,758			\$ -	\$ -	\$ -	
8 Other Office		\$ -	\$ -	\$ -			\$ -	\$ -	\$ -			\$ -	\$ -	\$ -	
Subtotal		\$ 5,478,970	\$ 16,436,914	\$ 21,915,884			\$ 5,127,203	\$ 16,859,213	\$ 21,986,416			\$ (351,767)	\$ 422,299	\$ 70,532	
Personnel and Operating Costs Before Recharges		\$ 12,383,233	\$ 24,273,302	\$ 36,656,535			\$ 11,237,152	\$ 25,411,599	\$ 36,648,751			\$ (1,146,081)	\$ 1,138,297	\$ (7,784)	
Recharges															
Recharges-External		\$ -	\$ (3,300,000)	\$ (3,300,000)			\$ -	\$ (3,875,000)	\$ (3,875,000)			\$ -	\$ (575,000)	\$ (575,000)	
Recharges-UCOP		\$ -	\$ (12,286,013)	\$ (12,286,013)			\$ -	\$ (12,300,000)	\$ (12,300,000)			\$ -	\$ (13,987)	\$ (13,987)	
Subtotal		\$ -	\$ (15,586,013)	\$ (15,586,013)			\$ -	\$ (16,175,000)	\$ (16,175,000)			\$ -	\$ (588,987)	\$ (588,987)	
Personnel and Operating Costs Net of Recharges		\$ 12,383,233	\$ 8,687,289	\$ 21,070,522			\$ 11,237,152	\$ 9,236,599	\$ 20,473,751			\$ (1,146,081)	\$ 549,310	\$ (596,771)	
Program Costs and Fund Flowthrough															
Program Details		\$ -	\$ -	\$ -			\$ -	\$ -	\$ -			\$ -	\$ -	\$ -	
Subtotal		\$ -	\$ -	\$ -			\$ -	\$ -	\$ -			\$ -	\$ -	\$ -	
Grand Total		\$ 12,383,233	\$ 8,687,289	\$ 21,070,522		147.00	\$ 11,237,152	\$ 9,236,599	\$ 20,473,751		-2.00	\$ (1,146,081)	\$ 549,310	\$ (596,771)	

¹ Add \$86,400 for temporary professional services to help define new IT proposals for increased productivity

Budget and Capital Resources (combined Systemwide Budget Office and Facilities Management)

Patrick Lenz – Vice President

Note: *The newly combined departments are in the midst of reviewing work processes and identifying an appropriate organizational structure. This review is expected to conclude in mid-April. Pending the outcome of this final review, the mission and functions listed below are subject to change.*

Mission & Functions

Mission

The ***Systemwide Budget Office*** is responsible for the development, approval, communication and implementation of the University's operating and capital resources acquisitions and allocation plans and its Long Range Budget Plans. The office also directs the development of the annual budget on behalf of the President and The Regents, and secures their approval to adopt its recommendations.

Facilities Administration provides leadership for managing the University's physical assets and sustaining a built environment. Its purpose, through the development and operation of the University's physical assets, is to effectively and efficiently support the University's teaching, research and public service mission.

Functions

Specific functions of the Budget Office include:

- Develop and recommend budget strategies, long range budget plans, policies, and analyses for operating and capital budgets, including fund priorities, allocation formulas, external negotiation strategies, and forward-year plans and outlooks.
- Develop annual budget request consistent with the policies and priorities of the Board of Regents.
- Identify near and long term consequences of proposed budget actions, and development of alternative scenarios.
- Ensure an open and transparent budget process, so that decisions are understandable and the budget itself is clear and accessible;
- Negotiate and advocate for the Regents Budget request at the State level including with the Department of Finance, the Governor's Office, members of the Legislature and their staff, State budget subcommittees, the California Postsecondary Education Commission, and other State officials.
- Develop recommendations for allocations to the campuses in the context of an open and transparent budget process, including implementation of applicable controls and policies.

- Work with the Chancellors and other campus officers to address planning and budget issues and ensure accountability.
- Work through the new academic planning process, consultation with faculty, students, campus and Office of the President staff, and other constituencies on budgetary planning issues, resource needs, and priorities for the annual Regents Budget.

Facilities Administration provides services in the following functional areas:

- Facilities and energy management, and sustainable practices: Responsible for providing leadership in the stewardship of 100,000,000 square feet of University facilities; strategic planning in addressing deferred maintenance and capital renewal needs; systemwide strategic energy planning and leveraged energy procurement services on behalf of the campuses, and sponsorship of \$500 million in energy-saving projects; the University's sustainable practices program; and training programs and opportunities to share best practices.
- Capital project design and delivery: Responsible for providing leadership in developing capital project design and delivery strategies, including contract administration and training related to project management, to implement the University's \$8 billion program of major projects underway. [Note: contract administration and training function is currently suspended, pending final review and staffing needs assessment.]
- Real estate development: Responsible for the scope of real estate services, supporting transactions (leasing, purchases and sales, ground leases, easements, licenses, rights-of-way), strategic planning, portfolio management, reporting, property tax management, training tools and programs, and sharing best practices.
- Physical and environmental planning: Responsible for providing leadership, consultation and strategic planning related to University land use and site planning, long-range land-use plans (LRDPs), the environmental process, and the University's statutory obligations.
- Building code and safety: Responsible for providing leadership to ensure University facilities are constructed, leased, and purchased to meet applicable and appropriate standards for the protection of life and property, and in the most cost-effective and timely manner; represents the University, and advocates for its interests, on State regulatory bodies and boards of professional organizations. [Note: function currently suspended, pending final review and staffing needs assessment.]

Significant Budget Changes and Proposals

In September of 2008, a Review Team appointed by Executive Vice President Katherine Lapp and Chaired by UCD Vice Chancellor John Meyer submitted its report entitled

“Organizing for the Successful Delivery and Stewardship of Capital Assets” (Report). This report recommended that the Systemwide Budget Office and Facilities Administration be merged. The Report included a set of summary major recommendations as well as specific recommendations associated with several of the sub areas of the newly defined Department.

In mid-October of 2008, EVP Lapp convened a joint meeting for the staff of both former departments to announce that she had reviewed the Report and was prepared to implement its major recommendations effective immediately by consolidating the two departments into a newly formed department at UCOP. She indicated that this effort was being done to increase organizational efficiencies as part of the larger OP efforts already underway in other business areas. Looking forward, she indicated that this would consolidate all systemwide resource management issues under one set of leadership, to be completed by mid-April, 2009.

While the final staffing and fiscal requirements for FY0910 are still being reviewed, a preliminary FY0910 budget for the combined Systemwide Budget Office and Facilities Administration department has been prepared by combining the FY0809 budget for each unit and using these amounts as the base for FY0910. The FY0910 budget proposal achieves a cut of approximately 10% in the use of unrestricted funds through the elimination of one position in Budget Operations area (Coordinator @ 1.00 FTE) and the shifting of a portion or all funding for nine other positions (4.29 FTE) to Plant Pool Earnings (a restricted fund source for expenses related to the capital program known as PPE). While it is believed that the shifting of the funding to PPE at the proposed levels can be sustained in the near term, the actual distributions of those shifts may change following the completion of the departmental review now under way. In terms of dollars, this reduction in unrestricted funds totals \$528,259. The total budget (unrestricted and restricted together) has decreased by \$60,607.

During FY0809, Facilities Administration transferred two functional units to the Immediate Office of Business Operations: Building Services and Mail Services. These units are now reflected in the Immediate Office of Business Operations for both FY0809 and FY0910.

University of California Office of the President
 FY 2009-10 Appropriations Proposal

Department: Budget and Capital Resources	REVISED FY 2008-09 Budget After Mid Year Reductions & Consolidation with the Systemwide Budget Office				PROPOSED FY 2009-10 Budget				ADJUSTMENTS against FY 2008-09 Budget to derive FY 2009-10 Budget			
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
Salary & Benefits by Functional Unit												
Systemwide Budget Office												
1 Immediate Office--VP-Systemwide Budget	6.00	\$ 785,628	\$ -	\$ 785,628	6.00	\$ 778,278	\$ -	\$ 778,278	0.00	\$ (7,350)	\$ -	\$ (7,350)
2 Budget Operations	8.00	\$ 837,087	\$ -	\$ 837,087	7.00	\$ 675,481	\$ 46,287	\$ 721,768	-1.00	\$ (161,606)	\$ 46,287	\$ (115,319)
3 Resource Management	2.00	\$ 218,465	\$ -	\$ 218,465	2.00	\$ 219,557	\$ -	\$ 219,557	0.00	\$ 1,092	\$ -	\$ 1,092
4 Capital Program	12.00	\$ 1,107,049	\$ 37,012	\$ 1,144,061	12.00	\$ 970,355	\$ 189,385	\$ 1,159,740	0.00	\$ (136,694)	\$ 152,373	\$ 15,679
Facilities Administration												
5 Immediate Office of the Associate VP	5.00	\$ 587,752	\$ -	\$ 587,752	5.00	\$ 608,043	\$ -	\$ 608,043	0.00	\$ 20,291	\$ -	\$ 20,291
6 Facilities Management Services	5.50	\$ 642,984	\$ -	\$ 642,984	5.00	\$ 339,761	\$ 268,992	\$ 608,753	-0.50	\$ (303,223)	\$ 268,992	\$ (34,231)
7 Planning, Design and Construction	5.50	\$ 535,881	\$ -	\$ 535,881	6.00	\$ 570,112	\$ -	\$ 570,112	0.50	\$ 34,231	\$ -	\$ 34,231
8 Real Estate Services Group	8.00	\$ 692,564	\$ 233,396	\$ 925,960	8.00	\$ 692,564	\$ 233,396	\$ 925,960	0.00	\$ -	\$ -	\$ -
Subtotal	52.00	\$ 5,407,410	\$ 270,408	\$ 5,677,818	51.00	\$ 4,854,151	\$ 738,060	\$ 5,592,211	-1.00	\$ (553,259)	\$ 467,652	\$ (85,607)
Operating Expenses & Support Costs												
1 Consultants and Professional Services		\$ 283,348	\$ 164,855	\$ 448,203		\$ 283,348	\$ 164,855	\$ 448,203		\$ -	\$ -	\$ -
2 Meetings & Related Costs		\$ 25,202	\$ 3,865	\$ 29,067		\$ 25,202	\$ 3,865	\$ 29,067		\$ -	\$ -	\$ -
3 Legal Costs		\$ 1,384	\$ 169	\$ 1,553		\$ 1,384	\$ 169	\$ 1,553		\$ -	\$ -	\$ -
4 Travel Related		\$ 15,197	\$ 11,715	\$ 26,912		\$ 40,197	\$ 11,715	\$ 51,912		\$ 25,000	\$ -	\$ 25,000
5 Utilities and Space Facilities Rental/Lease		\$ 60,970	\$ 43,575	\$ 104,545		\$ 60,970	\$ 43,575	\$ 104,545		\$ -	\$ -	\$ -
6 Computer, Office Equip/Supplies/Svc Maint		\$ 26,990	\$ 9,783	\$ 36,773		\$ 26,990	\$ 9,783	\$ 36,773		\$ -	\$ -	\$ -
7 Outside Services & Expens		\$ 54,696	\$ 770	\$ 55,466		\$ 54,696	\$ 770	\$ 55,466		\$ -	\$ -	\$ -
8 Other Office		\$ 9,492	\$ 6,812	\$ 16,304		\$ 9,492	\$ 6,812	\$ 16,304		\$ -	\$ -	\$ -
Subtotal		\$ 477,279	\$ 241,544	\$ 718,823		\$ 502,279	\$ 241,544	\$ 743,823		\$ 25,000	\$ -	\$ 25,000
Personnel & Operating Costs Before Recharges		\$ 5,884,689	\$ 511,952	\$ 6,396,641		\$ 5,356,430	\$ 979,604	\$ 6,336,034		\$ (528,259)	\$ 467,652	\$ (60,607)
Recharges												
Recharges-External		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Recharges-U COP		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Total Personnel & Operating Costs After Recharges		\$ 5,884,689	\$ 511,952	\$ 6,396,641		\$ 5,356,430	\$ 979,604	\$ 6,336,034		\$ (528,259)	\$ 467,652	\$ (60,607)
Program Costs and Fund Flowthru												
Identify Program/function		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Grand Total		\$ 5,884,689	\$ 511,952	\$ 6,396,641	51.00	\$ 5,356,430	\$ 979,604	\$ 6,336,034	-1.00	\$ (528,259)	\$ 467,652	\$ (60,607)

EXTERNAL RELATIONS

Immediate Office

Federal Government Relations

State Government Relations

Alumni Affairs/Advocacy

Communications

External Relations (formerly University Affairs)

Daniel M. Dooley – Interim Senior Vice President, External Relations

Mission & Functions

Mission

External Relations (formerly known as University Affairs) is responsible for developing and implementing external affairs strategies for state and federal governmental relations, communications, alumni affairs and institutional advocacy. These efforts are undertaken in support of the President and the campuses in order to bring together constituencies and stakeholders to build enduring financial, legislative and constituent support for the University.

Functions

The departments in External Relations have direct responsibility for conducting specific systemwide functions for the University. Primary functions include:

- Federal Governmental Relations (Washington, D.C.) represents and advocates for the University on federal budget, legislation and public policy issues impacting the University.
- State Governmental Relations (Sacramento) represents and advocates for the University on legislation and public policy issues impacting the University and works in conjunction with the Systemwide Budget Office to advocate on State budget matters.
- Communications develops, coordinates and implements systemwide communications strategies for the University, working closely with the campuses. It also provides strategic oversight for the management of systemwide issues.
- Alumni Affairs/Advocacy, as described further below, is a proposed consolidated unit focusing on cultivating and maintaining relationships with key stakeholders to build broad support for the University and its public policy priorities, with a special emphasis on engaging UC alumni and servicing alumni organizational needs.

Significant Budget Changes and Proposals

Since the March presentation, ***External Relations*** has increased its budget of unrestricted funds by \$238,241. Salaries and Benefits have been adjusted upward by \$114 in Federal Government Relations (FGR), upward by \$89,694 in Alumni and Constituent Affairs, upward by \$206,636 in the Consolidated Communications Unit, and downward by (\$58,203) in the Restructuring Contingency. Under restricted funds, Salaries and

Benefits have been adjusted downward by (\$55,682) in FGR. The net reduction of (\$55,568) in FGR reflects a net increase of 0.50 FTE which includes the eliminating the Director of National Lab Affairs, increasing the Science Advisor from half-time to full-time, and creating a Principal Administrative Analyst I.

Including the post-March presentation changes, the overall budget of unrestricted funds for External Relations has decreased by (\$746,958) since FY0809. This reduction is mostly attributable to a reduction of Operating Expenses & Support Costs in the amount of (\$771,080) coupled with an increase of \$24,122 in Salaries and Benefits. The total budget (unrestricted and restricted together) has decreased by (\$411,330) or 4%.

External Relations has been pursuing two significant organizational changes. The first is the consolidation of communications activities into a centralized unit. For FY0910, the budget brings together the previous budgets of Strategic Communications, Student Affairs Communications, and Human Resources Communications in the budget of a single Communications group in External Relations. This move reduces the total FTE devoted to communications activities while enhancing message consistency, making possible new economies of scale, and offering the opportunity to enhance the university's communications capacity in several key areas that historically have been neglected. These actions are critical to the University's ability to communicate more effectively with the public and to broaden understanding of the University's contributions to the daily life of California.

While this consolidation effort was reflected in the FY0809 mid-year budget, "Other Office" now includes a transfer of \$810,510 from Student Affairs to the consolidated Communications unit, largely for printing and mailing of publications. In addition, 7.5 FTE (estimated at 6 FTE for FY0910) and the associated salary and benefits costs have been transferred from HRB to the consolidated Communications Unit.

The second consolidation, on a smaller scale, involves a pending proposal to bring together two previously separate External Relations units, Alumni Affairs and Institutional Advocacy, in a unified unit that serves systemwide alumni needs not addressed by the campuses while preserving a focus on building relationships with additional constituencies to help broaden public understanding and support for the University and its public policy priorities.

**University of California Office of the President
FY 2009-10 Appropriations Proposal**

Department: External Relations (Formerly University Affairs)	REVISED FY 2008-09 Budget After Mid Year Reductions					PROPOSED FY 2009-10 Budget					ADJUSTMENTS against FY 2008-09 Budget to derive FY 2009-10 Budget				
	FTE	Unrestricted	Restricted	Total Costs		FTE	Unrestricted	Restricted	Total Costs		FTE	Unrestricted	Restricted	Total Costs	
		\$	\$	\$			\$	\$	\$			\$	\$	\$	
Salary & Benefits by Functional Unit															
1 Immediate Office	4.00	\$ 749,558	\$ -	\$ 749,558		3.00	\$ 729,947	\$ -	\$ 729,947		-1.00	\$ (19,611)	\$ -	\$ (19,611)	
2 Federal Governmental Relations ¹	9.50	\$ 1,657,058	\$ 75,000	\$ 1,732,058		10.00	\$ 957,746	\$ 434,039	\$ 1,391,785		0.50	\$ (699,312)	\$ 359,039	\$ (340,273)	
3 State Governmental Relations	11.00	\$ 1,210,875	\$ -	\$ 1,210,875		11.00	\$ 1,368,940	\$ -	\$ 1,368,940		0.00	\$ 158,065	\$ -	\$ 158,065	
4 Alumni and Constituent Affairs ²	3.00	\$ 93,000	\$ 87,000	\$ 180,000		3.00	\$ 353,902	\$ -	\$ 353,902		0.00	\$ 260,902	\$ (87,000)	\$ 173,902	
5 New Consolidated Communications Unit ³	33.00	\$ 3,030,834	\$ 420,642	\$ 3,451,476		33.00	\$ 3,299,344	\$ 484,231	\$ 3,783,575		0.00	\$ 268,510	\$ 63,589	\$ 332,099	
6 Restructuring Contingency ⁴	0.00	\$ -	\$ -	\$ -		0.00	\$ 55,568	\$ -	\$ 55,568		0.00	\$ 55,568	\$ -	\$ 55,568	
Subtotal	60.50	\$ 6,741,325	\$ 582,642	\$ 7,323,967		60.00	\$ 6,765,447	\$ 918,270	\$ 7,683,717		-0.50	\$ 24,122	\$ 335,628	\$ 359,750	
Operating Expenses & Support Costs															
1 Consultants & Professional Services		\$ 497,212	\$ 114,453	\$ 611,665			\$ 109,282	\$ 264,453	\$ 373,735			\$ (387,930)	\$ 150,000	\$ (237,930)	
2 Meetings & Related Costs		\$ 190,445	\$ 45,383	\$ 235,828			\$ 171,242	\$ 45,383	\$ 216,625			\$ (19,203)	\$ -	\$ (19,203)	
3 Legal Costs		\$ -	\$ -	\$ -			\$ -	\$ -	\$ -			\$ -	\$ -	\$ -	
4 Travel Related		\$ 214,351	\$ 52,942	\$ 267,293			\$ 178,209	\$ 52,942	\$ 231,151			\$ (36,142)	\$ -	\$ (36,142)	
5 Utilities & Space Facilities Rental/Lease		\$ -	\$ -	\$ -			\$ -	\$ -	\$ -			\$ -	\$ -	\$ -	
6 Computer, Office Equip/Supplies/Svc Maint		\$ 276,340	\$ 65,675	\$ 342,015			\$ 149,456	\$ 65,675	\$ 215,131			\$ (126,884)	\$ -	\$ (126,884)	
7 Outside Services & Experts		\$ 75,652	\$ 21,861	\$ 97,513			\$ 59,332	\$ 21,861	\$ 81,193			\$ (16,320)	\$ -	\$ (16,320)	
8 Other Office		\$ 1,319,433	\$ 129,479	\$ 1,448,912			\$ 1,134,832	\$ 129,479	\$ 1,264,311			\$ (184,601)	\$ -	\$ (184,601)	
Subtotal	\$ 2,573,433	\$ 429,793	\$ 3,003,226			\$ 1,802,353	\$ 579,793	\$ 2,382,146			\$ 771,080	\$ 150,000	\$ (621,080)		
Personnel & Operating Costs Before Recharges	\$ 9,314,758	\$ 1,012,435	\$ 10,327,193			\$ 8,567,800	\$ 1,498,063	\$ 10,065,863			\$ 746,958	\$ 485,628	\$ (261,330)		
Recharges															
Recharges-External		\$ -	\$ -	\$ (5,000)			\$ -	\$ -	\$ (155,000)			\$ -	\$ -	\$ (150,000)	
Recharges-UCOP		\$ -	\$ (5,000)	\$ (5,000)			\$ -	\$ (155,000)	\$ (155,000)			\$ -	\$ (150,000)	\$ (150,000)	
Subtotal	\$ 9,314,758	\$ 1,007,435	\$ 10,322,193			\$ 8,567,800	\$ 1,343,063	\$ 9,910,863			\$ 746,958	\$ 335,628	\$ (411,330)		
Personnel & Operating Costs Net of Recharges															
Program Costs & Fund Flowthru															
Program Detail		\$ -	\$ -	\$ -			\$ -	\$ -	\$ -			\$ -	\$ -	\$ -	
Subtotal	\$ 9,314,758	\$ 1,007,435	\$ 10,322,193			\$ 8,567,800	\$ 1,343,063	\$ 9,910,863			\$ 746,958	\$ 335,628	\$ (411,330)		
Grand Total	60.50	\$ 9,314,758	\$ 1,007,435	\$ 10,322,193		60.00	\$ 8,567,800	\$ 1,343,063	\$ 9,910,863		-0.50	\$ 746,958	\$ 335,628	\$ (411,330)	

¹ Salaries and Benefits for Federal Government Relations reflects a net increase of 0.50 FTE and a reduction of (\$55,568) from the Appropriations Proposal submitted in March. This includes the elimination of the Director of National Lab Affairs (former incumbent appointed to AVP, FGR pursuant to action item C1 C. - APPROVAL OF INDIVIDUAL COMPENSATION ACTIONS AS DISCUSSED IN CLOSED SESSION by the Regents' Committee on Compensation at their meeting on March 19, 2009), increasing the Science Advisor from half-time to full-time, and creating a Principal Administrative Analyst 1.

² The Alumni / Advocacy Unit has been replaced by Alumni and Constituent Affairs. The restructured unit reflects a net increase of \$89,694 from the March Appropriations Proposal.

³ With respect to the Communications Unit, the Appropriations Proposal presented in March was based on early assumptions about classification levels for positions in the newly consolidated unit. The actual classification levels have now been confirmed, and as such, the proposed budget has been adjusted upward by \$206,636. In addition, the new consolidated Communications Unit now includes 6 FTE and the associated expenses transferred from HR&B that were previously reported as a separate line item.

⁴ The Restructuring Contingency of \$113,771 reflected in the March Appropriations Proposal has been applied to the budgets of the Communications unit and the Alumni and Constituent Affairs unit (see footnotes 2 and 3 above). A new restructuring contingency has been established for Federal Government Relations in the amount of \$55,568.

HEALTH SCIENCES & SERVICES

Health Sciences & Services

John D. Stobo, Senior Vice President

Mission & Functions

Health Sciences & Services provides leadership and strategic direction to advance the education, research, and public service programs of the University's health sciences instructional system and clinical enterprise; and supports and promotes strategic initiatives by the academic medical centers.

Its major functions include:

- Advancement of the University's health sciences and clinical services programs through education, research, and the delivery of health care services
- Provides leadership of planning activities (e.g., development of new health sciences enrollment plan and restructuring of public program hospital payments)
- Coordination of new nursing and medical student educational initiatives
- Oversight and coordination of the business and financial activities of the \$4.4 billion annual clinical enterprise
- Development of policy and funding concepts/proposals to protect and maximize revenue for the clinical enterprise
- Development and articulation of the policy and fiscal impact of proposed health care reform initiatives for UC medical centers
- Management of state and federal initiatives to improve access to the UC physician services
- Management of a \$30 million, five-year initiative to develop a new California Telehealth Network
- Provides leadership and coordination of systemwide groups addressing wide ranging health sciences and clinical care program issues
- Provides leadership to develop more effective systemwide clinical branding
- Provides communication strategies for the University's health sciences and clinical services enterprise to develop strong and functional public policy positions and advocacy
- Management and resolution of high-risk issues and confidential matters arising on one or more campuses
- Strategic direction of systemwide compliance, HIPPA and quality activities

Significant Budget Changes and Proposals

Health Sciences and Services has increased its budget of unrestricted funds by about \$819,746 or 33%. The total budget (unrestricted and restricted together) has increased by about \$2.4 million or 85%.

Major changes to the unrestricted funds budget include:

- Inclusion of \$900,000 of ongoing program costs and fund flowthrough associated with the Academic Geriatric Research Program
- Increased travel costs of \$48,319 associated with the leadership and directives of the new Senior Vice President, Health Sciences and Services
- The shift of \$124,254 personnel expenses from the unrestricted funds budget to restricted

Major changes to the restricted funds budget include:

- An increase of consultant and professional service expenses in the amount of \$348,763 as a result of the inclusion of ongoing California Health Benefits Review Program (CHBRP) actuary expenses
- The inclusion of ongoing computer, office equipment and supply costs in the amount of \$20,733 for CHBRP
- The inclusion of \$63,362 ongoing other office expenses related to CHBRP
- Recharges will be reduced by \$127,206 in restricted funds due to funds carried forward from the 08-09 budget for the Anatomical Materials Program, thus requiring less to be recharged to the campuses in 09-10
- Inclusion of ongoing program costs and fund flowthrough in the amount of \$833,320 for CHBRP
- Inclusion of on-going program costs and fund flowthrough in the amount of \$50,000 for the Anatomical Materials Program

University of California Office of the President
 FY 2009-10 Appropriations Proposal

Department: Health Sciences & Services												
REVISED FY 2008-09 Budget After Mid Year Reductions				PROPOSED FY 2009-10 Budget				ADJUSTMENTS against FY 2008-09 Budget to derive FY 2009-10 Budget				
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
Salary & Benefits by Functional Unit												
1 Health Sciences & Services Immediate Office	2.00	\$ 754,647	\$ -	\$ 754,647	4.00	\$ 889,393	\$ -	\$ 889,393	2.00	\$ 134,746	\$ -	\$ 134,746
2 Health, Medical, & Technology Services	6.00	\$ 781,032	\$ -	\$ 781,032	6.00	\$ 781,032	\$ -	\$ 781,032	0.00	\$ -	\$ -	\$ -
3 Health Sciences	12.00	\$ 826,777	\$ 360,178	\$ 1,186,955	10.00	\$ 567,776	\$ 484,432	\$ 1,052,208	-2.00	\$ (259,001)	\$ 124,254	\$ (134,747)
Subtotal	20.00	\$ 2,362,456	\$ 360,178	\$ 2,722,634	20.00	\$ 2,238,201	\$ 484,432	\$ 2,722,633	0.00	\$ (124,255)	\$ 124,254	\$ (1)
Operating Expenses & Support Costs												
1 Consultants & Professional Services		\$ 10,253	\$ 101,237	\$ 111,490		\$ 20,000	\$ 450,000	\$ 470,000		\$ 9,747	\$ 348,763	\$ 358,510
2 Meetings & Related Costs		\$ 8,114	\$ 18,597	\$ 26,711		\$ 8,000	\$ 47,500	\$ 55,500		\$ (114)	\$ 28,903	\$ 28,789
3 Legal Costs		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
4 Travel Related		\$ 51,681	\$ 30,330	\$ 82,011		\$ 100,000	\$ 27,574	\$ 127,574		\$ 48,319	\$ (2,756)	\$ 45,563
5 Utilities & Space Facilities Rental/Lease		\$ 364	\$ -	\$ 364		\$ -	\$ -	\$ -		\$ (364)	\$ -	\$ (364)
6 Computer/Office Equip/Supplies/Svc Maint		\$ 11,119	\$ 3,267	\$ 14,386		\$ 12,350	\$ 24,000	\$ 36,350		\$ 1,231	\$ 20,733	\$ 21,964
7 Outside Services & Experts		\$ -	\$ 27,990	\$ 27,990		\$ -	\$ 24,000	\$ 24,000		\$ -	\$ (3,990)	\$ (3,990)
8 Other Office		\$ 64,882	\$ 45,637	\$ 110,519		\$ 50,064	\$ 108,999	\$ 159,063		\$ (14,818)	\$ 63,362	\$ 48,544
Subtotal		\$ 146,413	\$ 227,058	\$ 373,471		\$ 190,414	\$ 682,073	\$ 872,487		\$ 44,001	\$ 455,015	\$ 499,016
Salary & Operational Costs Before Recharges		\$ 2,508,869	\$ 587,236	\$ 3,096,105		\$ 2,428,615	\$ 1,166,505	\$ 3,595,120		\$ (80,254)	\$ 579,269	\$ 499,015
Recharges												
Recharges-External (Anatomical Materials Program)		\$ -	\$ (250,000)	\$ (250,000)		\$ -	\$ (122,794)	\$ (122,794)		\$ -	\$ 127,206	\$ 127,206
Recharges-UCOP		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ (250,000)	\$ (250,000)		\$ -	\$ (122,794)	\$ (122,794)		\$ -	\$ 127,206	\$ 127,206
Salary & Operational Costs Net of Recharges		\$ 2,508,869	\$ 337,236	\$ 2,846,105		\$ 2,428,615	\$ 1,043,711	\$ 3,472,326		\$ (80,254)	\$ 706,475	\$ 626,221
Program Costs & Fund Flowthru												
Academic Geriatric Research Program		\$ -	\$ -	\$ -		\$ 900,000	\$ -	\$ 900,000		\$ 900,000	\$ -	\$ 900,000
California Health Benefits Review Program		\$ -	\$ -	\$ -		\$ -	\$ 833,320	\$ 833,320		\$ -	\$ 833,320	\$ 833,320
Anatomical Materials Program		\$ -	\$ -	\$ -		\$ -	\$ 50,000	\$ 50,000		\$ -	\$ 50,000	\$ 50,000
Subtotal		\$ -	\$ -	\$ -		\$ 900,000	\$ 883,320	\$ 1,783,320		\$ 900,000	\$ 883,320	\$ 1,783,320
Grand Total	20.00	\$ 2,508,869	\$ 337,236	\$ 2,846,105	20.00	\$ 3,328,615	\$ 1,927,031	\$ 5,255,646	0.00	\$ 819,746	\$ 1,589,795	\$ 2,409,541

LABORATORY MANAGEMENT

Laboratory Management

Bruce Darling, Executive Vice President

Mission & Functions

Laboratory Management Office (LMO) provides the leadership and core staff necessary to ensure and support the ongoing and future excellence of science and technology at Lawrence Berkeley National Laboratory (LBNL) and the limited liability corporations, Los Alamos National Security, LLC (LANS) and Lawrence Livermore National Security, LLC (LLNS). LMO continues to develop a responsible, cost effective approach to meet the University's ongoing fiduciary responsibilities, including maximizing fee income for research while retaining the capability and commitment for effective UC oversight at LBNL. LMO also manages the UC partnership involvement with LANS and LLNS, in the management of Los Alamos National Laboratory (LANL) and Lawrence Livermore National Laboratory (LLNL).

Its major functions are organized around three functional activities:

Lab Programs and Research

- Serves as the “face” of UC through its daily contact with the labs
- Ensures effective UC leadership and influence for Lab programs, science and technology
- Supports an effective Lab environment for science and technology and program accomplishments

Lab Business and Operations

- Represents UC's interest in annual performance fee objectives negotiations
- Ensures that UC is adequately informed with regard to matters affecting Regents fiduciary obligations
- Conducts day-to-day oversight of LBNL operations, and business and staffing of the Contract Assurance Council

Contract Administration & Closeout

- Administers prime contract for LBNL
- Provides contract interpretation and compliance
- Ensures the University's termination rights and obligations are met, resolves open audits, government and third party claims
- Leads UC's contract closeout activities for old Contracts 98 (LBNL), 36 (LANL) and 48 (LLNL)

Significant Budget Changes and Proposals

Laboratory Management Office has reduced its budget of restricted funds by about \$0.4 million or 11.3%, principally through the elimination of .90 net FTE. The total budget is in restricted funding from the LLC Fees, LBNL and the LANL and LLNL Contract Close Out funds.

Net changes to the restricted budget largely pertain to:

- Decrease 1.00 FTE and Budget for Vice President vacancy
- Increase 0.10 FTE for existing Director position to become 1.00 FTE for Lab Assessment and Oversight
- Decrease in budget pertaining to Information Technology layoff effective 6/30/09
- Includes budget for Laboratory Management employees who participate in the 415M compensation program

University of California Office of the President
 FY 2009-10 Appropriations Proposal

Department: Laboratory Management		REVISED FY 2008-09 Budget After Mid Year Reductions				PROPOSED FY 2009-10 Budget				ADJUSTMENTS against FY 2008-09 Budget to derive FY 2009-10 Budget			
		FTE	Unrestricted	Restricted	Total Cost	FTE	Unrestricted	Restricted	Total Cost	FTE	Unrestricted	Restricted	Total Cost
Salary & Benefits by Functional Unit													
1	Immediate Office of the Vice President	3.00	\$ -	\$ 961,448	\$ 961,448	2.00	\$ -	\$ 577,012	\$ 577,012	-1.00	\$ -	\$ (384,436)	\$ (384,436)
2	Laboratory Programs	1.00	\$ -	\$ 376,280	\$ 376,280	1.00	\$ -	\$ 376,280	\$ 376,280	0.00	\$ -	\$ -	\$ -
3	Lab Programmatic Assessment & Oversight	0.90	\$ -	\$ 158,187	\$ 158,187	1.00	\$ -	\$ 175,763	\$ 175,763	0.10	\$ -	\$ 17,576	\$ 17,576
4	Laboratory Collaborations	0.00	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -
5	Operations & Administration	1.00	\$ -	\$ 376,280	\$ 376,280	1.00	\$ -	\$ 404,078	\$ 404,078	0.00	\$ -	\$ 27,798	\$ 27,798
6	Operations	4.00	\$ -	\$ 788,412	\$ 788,412	4.00	\$ -	\$ 788,703	\$ 788,703	0.00	\$ -	\$ 291	\$ 291
7	Contracts/Administration	4.00	\$ -	\$ 800,126	\$ 800,126	4.00	\$ -	\$ 694,140	\$ 694,140	0.00	\$ -	\$ (105,986)	\$ (105,986)
	Subtotal	13.90	\$ -	\$ 3,460,733	\$ 3,460,733	13.00	\$ -	\$ 3,015,976	\$ 3,015,976	-0.90	\$ -	\$ (444,757)	\$ (444,757)
Operating Expenses & Support Costs													
1	Consultants & Professional Services		\$ -	\$ 50,000	\$ 50,000		\$ -	\$ 50,000	\$ 50,000		\$ -	\$ -	\$ -
2	Meetings & Related Costs		\$ -	\$ 5,000	\$ 5,000		\$ -	\$ 5,000	\$ 5,000		\$ -	\$ -	\$ -
3	Legal Costs		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
4	Travel Related		\$ -	\$ 100,000	\$ 100,000		\$ -	\$ 90,000	\$ 90,000		\$ -	\$ (10,000)	\$ (10,000)
5	Utilities & Space Facilities Rental/Lease		\$ -	\$ 200,000	\$ 200,000		\$ -	\$ 210,000	\$ 210,000		\$ -	\$ 10,000	\$ 10,000
6	Computer/Office Equip/Supplies/Svc Maint		\$ -	\$ 117,798	\$ 117,798		\$ -	\$ 117,798	\$ 117,798		\$ -	\$ -	\$ -
7	Outside Services & Experts		\$ -	\$ 10,000	\$ 10,000		\$ -	\$ 10,000	\$ 10,000		\$ -	\$ -	\$ -
8	Other Office		\$ -	\$ 1,238	\$ 1,238		\$ -	\$ 1,238	\$ 1,238		\$ -	\$ -	\$ -
	Subtotal		\$ -	\$ 484,036	\$ 484,036		\$ -	\$ 484,036	\$ 484,036		\$ -	\$ -	\$ -
Personnel & Operating Costs Before Recharges													
			\$ -	\$ 3,944,769	\$ 3,944,769		\$ -	\$ 3,500,012	\$ 3,500,012		\$ -	\$ (444,757)	\$ (444,757)
Recharges													
	Recharges-External		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
	Recharges-UCOP		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
	Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Personnel & Operating Costs Net of Recharges													
			\$ -	\$ 3,944,769	\$ 3,944,769		\$ -	\$ 3,500,012	\$ 3,500,012		\$ -	\$ (444,757)	\$ (444,757)
Program Costs & Fund Flowthru													
	Program Detail		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
	Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
	Grand Total	13.90	\$ -	\$ 3,944,769	\$ 3,944,769	13.00	\$ -	\$ 3,500,012	\$ 3,500,012	-0.90	\$ -	\$ (444,757)	\$ (444,757)

PRESIDENT'S IMMEDIATE OFFICE

Immediate Office

Policy and Analysis

Institutional Research

**Issues Management Policy Analysis &
Coordination**

President's Immediate Office

Mark G. Yudof – President

Mission & Functions

Mission

The *President's Immediate Office* is responsible for providing support that ensures an informed perspective of the President, the President's Cabinet and other Senior Leadership. This includes facilitating the implementation of activities that are administrative, programmatic, and involve management functions. It is also responsible for overseeing the operation and maintenance of the President's official residence.

Functions

- Oversees administration and personnel functions of the President's Immediate Office.
- Supports the President in coordination of official calendar, meetings, travel, and various office reports.
- Provides policy oversight and both internal and external community building.
- Provides management oversight for executive searches conducted on behalf of the President for senior leaders (Chancellors, Executive Vice Presidents, Vice Presidents, etc.).
- Oversees communications/correspondence unit functions for the President's Immediate Office in support of the President.
- Assists the President in his responsibilities, both substantive and ceremonial, among them drafting introductions and forwards to scholarly and other publications, public statements and messages, awards and award citations, and Regents' resolutions.
- Oversees, directs and coordinates activities of special initiatives established by the President such as the DC Staff Diversity Council and the DC Women's Leadership Initiative.

Significant Budget Changes and Proposals

Since the March presentation, the *President's Immediate Office* has decreased its budget of unrestricted funds by (\$34,539). Salaries and benefits have decreased by (\$55,039) which includes the elimination of an Office Assistant and an Administrative Assistant. In addition, a vacant Administrative Analyst has been rebudgeted as a Principal Administrative Analyst.

Also, under Operating Expenses and Support Costs, an additional amount of \$20,500 has been budgeted for the Associate to the President. The FY0809 budget for the Associate to the President was inadvertently omitted and is now appropriately reflected in both fiscal years.

Including the post-March presentation changes, the total budget for the President's has increased by \$684,492. The President's Immediate Office is 100% funded on unrestricted funds. For FY0809, the President's Immediate Office is adding two new functional units that will operate under the umbrella of the newly created Office of Policy and Analysis. These two new units are the consolidated Office of Institutional Research (IR) and Issues Management, Policy Analysis and Coordination (IMPAC). In addition to directing both IR and IMPAC, the Associate Vice President for Policy and Analysis will oversee and provide analytical support for systemwide policy planning and issues management, as well as help coordinate and improve deliberations over policy issues. The Institutional Research unit will be responsible for assembling corporate data from campuses and other sources and will conduct analysis pertaining to admissions, personnel and compensation data, research data, contracts and grants, financial aid, graduate students and budget data. IMPAC will support development of University proactive positions on key policy issues and handle many of UCOP's legislative coordination activities.

A breakdown of the major increases against FY0809 by unit follows:

- Salary adjustments for the President's Immediate Office (\$19,677).
- Two new positions to direct and support the Immediate Office of Policy and Analysis (Associate Vice President and Administrative Assistant III) \$348,838.
- Salary Adjustments for Institutional Research \$127,370 including one new position (Analyst @ 1.00 FTE) to be split between IR and IMPAC.
- Salary Adjustments for IMPAC \$72,961.
- Operating Expenses & Support Costs for Institutional Research \$15,000 (for a subscription to the National Student Clearinghouse database).
- Operating Expenses & Support Costs for IMPAC \$140,000.

University of California Office of the President
FY 2009-10 Appropriations Proposal

Department: President's Immediate Office	REVISED FY 2008-09 Budget After Mid Year Reductions						PROPOSED FY 2009-10 Budget						ADJUSTMENTS against FY 2008-09 Budget to derive FY 2009-10 Budget												
	FTE		Unrestricted		Restricted		Total Costs		FTE		Unrestricted		Restricted		Total Costs		FTE		Unrestricted		Restricted		Total Costs		
Salary & Benefits by Functional Unit																									
1 President's Immediate Office ¹	14.00	\$ 2,078,497	\$ -	\$ -	\$ 2,078,497				12.00	\$ 2,058,820	\$ -	\$ -	\$ 2,058,820	-2.00	\$ (19,677)	\$ -	\$ -	\$ (19,677)							
2 Policy and Analysis Immediate Office	0.00	\$ -	\$ -	\$ -	\$ -				2.00	\$ 348,838	\$ -	\$ -	\$ 348,838	2.00	\$ 348,838	\$ -	\$ -	\$ 348,838							
3 Institutional Research	15.00	\$ 1,815,256	\$ -	\$ -	\$ 1,815,256				16.00	\$ 1,942,626	\$ -	\$ -	\$ 1,942,626	1.00	\$ 127,370	\$ -	\$ -	\$ 127,370							
4 Issues Mgt. Policy Analysis & Coord. (IMPAC)	7.00	\$ 832,598	\$ -	\$ -	\$ 832,598				7.00	\$ 905,559	\$ -	\$ -	\$ 905,559	0.00	\$ -	\$ -	\$ -	\$ -							
Subtotal	36.00	\$ 4,726,351	\$ -	\$ -	\$ 4,726,351				37.00	\$ 5,255,843	\$ -	\$ -	\$ 5,255,843	1.00	\$ 529,492	\$ -	\$ -	\$ 529,492							
Operating Expenses & Support Costs																									
1 Consultants and Professional Services		\$ -	\$ -	\$ -	\$ -					\$ 2,000	\$ -	\$ -	\$ 2,000		\$ 2,000	\$ -	\$ -	\$ 2,000							
2 Meetings & Related Costs		\$ 71,954	\$ -	\$ -	\$ 71,954					\$ 74,454	\$ -	\$ -	\$ 74,454		\$ 2,500	\$ -	\$ -	\$ 2,500							
3 Legal Costs		\$ -	\$ -	\$ -	\$ -					\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -							
4 Travel Related		\$ 89,142	\$ -	\$ -	\$ 89,142					\$ 94,142	\$ -	\$ -	\$ 94,142		\$ 5,000	\$ -	\$ -	\$ 5,000							
5 Utilities and Space Facilities Rental/Lease		\$ -	\$ -	\$ -	\$ -					\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -							
6 Computer, Office Equip/Supplies/Svc Maint		\$ 20,151	\$ -	\$ -	\$ 20,151					\$ 22,151	\$ -	\$ -	\$ 22,151		\$ 2,000	\$ -	\$ -	\$ 2,000							
7 Outside Services & Expens		\$ 37,417	\$ -	\$ -	\$ 37,417					\$ 37,417	\$ -	\$ -	\$ 37,417		\$ -	\$ -	\$ -	\$ -							
8 Other Office		\$ 197,625	\$ -	\$ -	\$ 197,625					\$ 218,625	\$ -	\$ -	\$ 218,625		\$ 21,000	\$ -	\$ -	\$ 21,000							
Status of Women Advisory Committee		\$ 3,150	\$ -	\$ -	\$ 3,150					\$ 3,150	\$ -	\$ -	\$ 3,150		\$ -	\$ -	\$ -	\$ -							
Associate to the President ²		\$ 20,500	\$ -	\$ -	\$ 20,500					\$ 20,500	\$ -	\$ -	\$ 20,500		\$ -	\$ -	\$ -	\$ -							
S&E Institutional Research		\$ 17,500	\$ -	\$ -	\$ 17,500					\$ -	\$ -	\$ -	\$ -		\$ (17,500)	\$ -	\$ -	\$ (17,500)							
S&E IMPAC		\$ 10,000	\$ -	\$ -	\$ 10,000					\$ 150,000	\$ -	\$ -	\$ 150,000		\$ 140,000	\$ -	\$ -	\$ 140,000							
Subtotal		\$ 467,439	\$ -	\$ -	\$ 467,439					\$ 622,439	\$ -	\$ -	\$ 622,439		\$ 155,000	\$ -	\$ -	\$ 155,000							
Personnel & Operating Costs Before Recharges		\$ 5,193,790	\$ -	\$ -	\$ 5,193,790					\$ 5,878,282	\$ -	\$ -	\$ 5,878,282		\$ 684,492	\$ -	\$ -	\$ 684,492							
Recharges																									
Recharges-External		\$ -	\$ -	\$ -	\$ -					\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -							
Recharges-UCOP		\$ -	\$ -	\$ -	\$ -					\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -							
Subtotal		\$ -	\$ -	\$ -	\$ -					\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -							
Total Personnel & Operating Costs Net Recharges		\$ 5,193,790	\$ -	\$ -	\$ 5,193,790					\$ 5,878,282	\$ -	\$ -	\$ 5,878,282		\$ 684,492	\$ -	\$ -	\$ 684,492							
Program Costs & Fund Flowthru																									
Program Detail		\$ -	\$ -	\$ -	\$ -					\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -							
Subtotal		\$ -	\$ -	\$ -	\$ -					\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -							
Grand Total		\$ 5,193,790	\$ -	\$ -	\$ 5,193,790				37.00	\$ 5,878,282	\$ -	\$ -	\$ 5,878,282	1.00	\$ 684,492	\$ -	\$ -	\$ 684,492							

¹ Salaries and Benefits for the President's Immediate Office reflects a net reduction of two FTE and (\$55,039) from the Appropriations Proposal submitted in March. This includes the elimination of an Office Assistant and an Administrative Assistant. In addition, a vacant Administrative Analyst has been rebudgeted as a Principal Administrative Analyst.

² Under Operating Expenses, an additional line item has been added for the Associate to the President at \$20,500 which will be funded from Sealles Funds. This amount has been proxied from Regents' action item C3R (APPROVAL OF APPOINTMENT OF ASSOCIATE OF THE PRESIDENT AS DISCUSSED IN REGENTS' ONLY SESSION) as presented to, and adopted by the Regents' Committee on Compensation at the July 17, 2008 meeting.

REGENTS' DIRECT REPORTS

Office of the Secretary and Chief of Staff

Office of the Treasurer

Office of General Counsel

Ethics, Compliance and Audit Services

Secretary and Chief of Staff to the Regents

Diane M. Griffiths, Secretary and Chief of the Staff

Mission & Functions

Mission

The Secretary and Chief of Staff to the Regents functions as the primary liaison between the Regents and the University administration. The office works directly with the Board Chair and with other Regents on a variety of projects and special initiatives.

Functions

- The Secretary and Chief of Staff directs a multitude of research projects and analyses, and oversees planning efforts. The office also handles official records of the University and is responsible for planning and staffing all Board and Regental Committee meetings.
- Facilitates effective governance, including long-range planning, communication and problem-solving on significant issues and challenges facing the Regents.
- Ensures that the Board's activities comply with all pertinent legal guidelines and conform to sound governance practices, including recommending change as needed to comply with developing legal requirements and best practices.
- Ensures development of an on-going orientation program for newly appointed and current Regents to provide an understanding of Regental roles and responsibilities as well as new developments in the University which relate to the duties and conduct of the Regents.
- Identifies policy needs and provides objective analysis to assist the Regents in performing their fiduciary responsibility as well as to enhance understanding of key issues and improve long-range decision-making.
- Disseminates to the Regents updates on developments in legislation or policy that relate to the work of the Regents and works with the Regents on appropriate responses thereto.
- Provides a full range of administrative support to the Board, the Chair and committee chairs in planning, preparing and conducting Board and committee meetings and events.
- Participates in planning future Board and committee meetings with focus on Regental priorities, long-range planning, and compliance with legal and policy mandates.
- Administers the annual operating budget for the Board.
- Informs and advises the Regents and the administration on procedures and Board policies.

Significant Budget Changes and Proposals

The Secretary Chief of Staff to the Regents has reduced its budget of unrestricted funds by \$397,860 or 10.80%, principally through the elimination of 1.00 FTE (Committee Analyst, MSP IV) at \$130,075 and by reducing Operating Expenses and Support costs by \$267,785. Within Operating Expenses and Support costs, savings are anticipated in Board, Committee and related meeting costs, transportation services, professional organization participation, Student Regent recruitment costs, and contributions to campus events.

Based on an analysis of current and prior year Board meeting costs, UCLA and UCSF / Mission Bay provide the most cost effective locations for holding Board meetings. As such, the FY0910 proposed budget assumes that four Board meetings will be held at UCSF / Mission Bay and two will be held at UCLA. If different meeting sites are ultimately selected, a supplemental appropriation may be requested to offset any additional costs.

**University of California Office of the President
FY 2009-10 Appropriations Proposal**

Department: Office of the Secretary / COS	REVISED FY 2008-09 Budget After Mid Year Reductions				PROPOSED FY 2009-10 Budget				ADJUSTMENTS against FY 2008-09 Budget to derive FY 2009-10 Budget			
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
Salary & Benefits by Functional Unit	13.00	\$ 1,755,249	\$ -	\$ 1,755,249	12.00	\$ 1,625,174	\$ -	\$ 1,625,174	-1.00	\$ (130,075)	\$ -	\$ (130,075)
1 Immediate Office of the Secretary												
Subtotal	13.00	\$ 1,755,249	\$ -	\$ 1,755,249	12.00	\$ 1,625,174	\$ -	\$ 1,625,174	-1.00	\$ (130,075)	\$ -	\$ (130,075)
Operating Expenses & Support Costs												
1 Consultants & Professional Services		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
2 Meetings & Related Costs		\$ 1,473,435	\$ -	\$ 1,473,435		\$ 1,338,383	\$ -	\$ 1,338,383		\$ (135,052)	\$ -	\$ (135,052)
3 Legal Costs		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
4 Travel Related		\$ 27,254	\$ -	\$ 27,254		\$ 13,595	\$ -	\$ 13,595		\$ (13,659)	\$ -	\$ (13,659)
5 Utilities & Space Facilities Rental/Lease		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
6 Computer, Office Equip/Supplies/Svc Maint		\$ 8,636	\$ -	\$ 8,636		\$ 53,193	\$ -	\$ 53,193		\$ 44,557	\$ -	\$ 44,557
7 Outside Services & Experts		\$ 9,146	\$ -	\$ 9,146		\$ 9,000	\$ -	\$ 9,000		\$ (146)	\$ -	\$ (146)
8 Other Office		\$ 408,694	\$ 15,000	\$ 423,694		\$ 245,209	\$ 15,000	\$ 260,209		\$ (163,485)	\$ -	\$ (163,485)
Subtotal	\$ 1,927,165	\$ 15,000	\$ 1,942,165	\$ 1,659,380	\$ 15,000	\$ 1,674,380	\$ 3,284,554	\$ 15,000	\$ 3,299,554	\$ (267,785)	\$ -	\$ (267,785)
Personnel & Operating Costs Before Recharges	\$ 3,682,414	\$ 15,000	\$ 3,697,414	\$ 3,284,554	\$ 15,000	\$ 3,299,554	\$ -	\$ -	\$ -	\$ (397,860)	\$ -	\$ (397,860)
Recharges												
Recharges-External		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Recharges-UUCOP		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Personnel & Operating Costs Net of Recharges	\$ 3,682,414	\$ 15,000	\$ 3,697,414	\$ 3,284,554	\$ 15,000	\$ 3,299,554	\$ -	\$ -	\$ -	\$ (397,860)	\$ -	\$ (397,860)
Program Costs & Fund Flowthru												
Identify Program/function		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grand Total	13.00	\$ 3,682,414	\$ 15,000	\$ 3,697,414	12.00	\$ 3,284,554	\$ 15,000	\$ 3,299,554	-1.00	\$ (397,860)	\$ -	\$ (397,860)

Office of the Treasurer ***Marie N. Berggren, Vice President***

Mission & Functions

The Office of the Treasurer of The Regents manages the University of California's retirement, endowment, and cash assets under the policies, guidelines, and performance benchmarks established by The Regents. The Office's mission is to implement those policies and guidelines by selecting, executing, and monitoring investment strategies designed to add value over the benchmarks within a risk controlled framework. The Office adheres to high ethical as well as professional standards in serving the financial management needs of its constituency. As of June 30, 2008, the Treasurer's Office managed over \$66 billion in total assets.

The three main functions of the Office include:

- Investment Management – The investment funds managed include UCRP, DCP, Endowment Funds and STIP
- Investment Risk Management – Ensures funds managed do not expose the University to potential or unexpected losses beyond the Regents' risk tolerance level
- Investment Services - Investment Services' structure includes *Operations, Information Systems, Business Management, and Communications*. The Investment Services function provides uniquely qualified staff whose support is efficiently integrated into both the Investment Management and Risk Management functions

Significant Budget Changes and Proposals

The Office of the Treasurer has increased its budget of restricted funds by \$1 million or 5.4% over FY 2008-09. The total budget is in restricted funding from the Asset Management fund which is comprised of STIP, Endowment and UCRP assessments.

Salary related net increases largely pertain to:

- Budgeting of approved vacant positions and related benefits in 2008-09 was for a partial year. Budget for 2009-10 is for a full year
- Increases (including related benefits) due to the filling of vacant positions as well as various salary adjustments

Non-Salary operating expenses have increased \$173,000 or 2.2% over last fiscal year. Some of the major changes include:

- Decrease (\$1.3 million, -17%) mainly due to RFP for custody and performance analytics that yielded a significant reduction of fees from our custody bank
- Increase Legal Fees (\$542,000, 7%); new asset classes will require more extensive legal review for agreements, partnerships, closing documents, etc
- Increase Outside Services & Experts (\$479,000, 6%); various 3rd party systems and online research vendors have scheduled increases, as well as new services being acquired
- Increase in Travel (\$393,000, 5%) as due diligence meetings are planned to better monitor manager performance and more site visits are planned due to new asset classes being ramped up

**University of California Office of the President
FY 2009-10 Appropriations Proposal**

Department: Treasurer's Office	REVISED FY 2008-09 Budget After Mid Year Reductions				PROPOSED FY 2009-10 Budget				ADJUSTMENTS against FY 2008-09 Budget to derive FY 2009-10 Budget			
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
	Salary & Benefits by Functional Unit											
1 Immediate Office of the Chief Investment Officer	2.00	\$ -	\$ 631,880	\$ 631,880	2.00	\$ -	\$ 648,659	\$ 648,659	0.00	\$ -	\$ 16,779	\$ 16,779
2 Public Equity	3.00	\$ -	\$ 527,396	\$ 527,396	5.00	\$ -	\$ 994,233	\$ 994,233	2.00	\$ -	\$ 466,837	\$ 466,837
3 Fixed Income Investments	1.00	\$ -	\$ 362,791	\$ 362,791	1.00	\$ -	\$ 372,425	\$ 372,425	0.00	\$ -	\$ 9,634	\$ 9,634
4 Fixed Income Function	8.00	\$ -	\$ 1,849,282	\$ 1,849,282	9.00	\$ -	\$ 2,059,322	\$ 2,059,322	1.00	\$ -	\$ 210,040	\$ 210,040
5 Absolute Returns	3.00	\$ -	\$ 585,540	\$ 585,540	4.00	\$ -	\$ 758,385	\$ 758,385	1.00	\$ -	\$ 172,845	\$ 172,845
6 Private Equity	4.00	\$ -	\$ 810,768	\$ 810,768	5.00	\$ -	\$ 1,072,459	\$ 1,072,459	1.00	\$ -	\$ 261,691	\$ 261,691
7 Real Assets	3.00	\$ -	\$ 697,684	\$ 697,684	4.00	\$ -	\$ 910,435	\$ 910,435	1.00	\$ -	\$ 212,751	\$ 212,751
8 Risk Management	5.00	\$ -	\$ 852,024	\$ 852,024	5.00	\$ -	\$ 874,649	\$ 874,649	0.00	\$ -	\$ 22,625	\$ 22,625
9 Immediate Office of the Associate CIO	33.00	\$ -	\$ 4,619,699	\$ 4,619,699	27.00	\$ -	\$ 3,490,959	\$ 3,490,959	-6.00	\$ -	\$ (1,128,740)	\$ (1,128,740)
10 Misc. Salary Related Items									0.00	\$ -	\$ 589,744	\$ 589,744
Subtotal	62.00	\$ -	\$ 10,937,064	\$ 10,937,064	62.00	\$ -	\$ 11,771,270	\$ 11,771,270	0.00	\$ -	\$ 834,206	\$ 834,206
Operating Expenses and Support Costs												
1 Consultants and Professional Services		\$ -	\$ 453,137	\$ 453,137		\$ -	\$ 228,000	\$ 228,000		\$ -	\$ (225,137)	\$ (225,137)
2 Meetings & Related Costs		\$ -	\$ 4,295	\$ 4,295		\$ -	\$ -	\$ -		\$ -	\$ (4,295)	\$ (4,295)
3 Legal Costs		\$ -	\$ 268,341	\$ 268,341		\$ -	\$ 810,000	\$ 810,000		\$ -	\$ 541,659	\$ 541,659
4 Travel Related		\$ -	\$ 287,239	\$ 287,239		\$ -	\$ 680,000	\$ 680,000		\$ -	\$ 392,761	\$ 392,761
5 Utilities and Space Facilities Rental/Lease		\$ -	\$ 614,497	\$ 614,497		\$ -	\$ 762,000	\$ 762,000		\$ -	\$ 147,503	\$ 147,503
6 Computer/Office Equip/Supplies/Svc Maint		\$ -	\$ 1,463,208	\$ 1,463,208		\$ -	\$ 170,000	\$ 170,000		\$ -	\$ (1,293,208)	\$ (1,293,208)
7 Outside Services & Experts		\$ -	\$ 4,304,971	\$ 4,304,971		\$ -	\$ 4,784,000	\$ 4,784,000		\$ -	\$ 479,029	\$ 479,029
8 Other Office		\$ -	\$ 279,848	\$ 279,848		\$ -	\$ 415,000	\$ 415,000		\$ -	\$ 135,152	\$ 135,152
Subtotal	\$ -	\$ -	\$ 7,875,536	\$ 7,875,536	\$ -	\$ -	\$ 7,849,000	\$ 7,849,000	\$ -	\$ -	\$ 173,464	\$ 173,464
Personnel and Operating Costs Before Recharges	\$ -	\$ -	\$ 18,612,600	\$ 18,612,600	\$ -	\$ -	\$ 19,620,270	\$ 19,620,270	\$ -	\$ -	\$ 1,007,670	\$ 1,007,670
Recharges												
Recharges-External	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Recharges-U COP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Personnel and Operating Costs Net of Recharges	\$ -	\$ -	\$ 18,612,600	\$ 18,612,600	\$ -	\$ -	\$ 19,620,270	\$ 19,620,270	\$ -	\$ -	\$ 1,007,670	\$ 1,007,670
Program Costs and Fund Flowthru												
Identify Program/function	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grand Total	62.00	\$ -	\$ 18,612,600	\$ 18,612,600	62.00	\$ -	\$ 19,620,270	\$ 19,620,270	0.00	\$ -	\$ 1,007,670	\$ 1,007,670

Note: FY 2009-10 budget does not include a projected \$3 million for the office's Annual Incentive Plan (AIP). Includes \$303,707 estimate for salary adjustments

Office of General Counsel

Charles F. Robinson, General Counsel and Vice President, Legal Affairs

Mission & Functions

Mission

The *Office of General Counsel* is responsible for supporting the activities of The Regents, the President and the Chancellors and their staffs, by helping integrate legal requirements and legal opportunities into their strategic planning and business administration, and by providing them sound, timely and practical legal advice. The office is also charged with advocating and protecting the University's interests in multiple forums and through various legal, regulatory, administrative and political processes; to structure and document the University's business relationships with outside parties; and to help manage the University's legal and other business risks by, among other means, facilitating compliance with internal and external rules and policies

Functions

- Providing advice and support to the Board of Regents, the Office of the Secretary and Chief of Staff of The Regents, to the other Principle Officers of The Regents, and to the President;
- Managing, planning for, and supporting the provision of legal services throughout the University, including oversight of 7 resident counsel, and the retention and oversight of all outside counsel;
- Providing system-wide specialist advice, counsel and representation in the areas of court, regulatory and administrative litigation and other types of dispute resolution;
- Providing general advice and counsel in support of the University's administration of the Lawrence Berkeley National Laboratory and oversight, through its representation on the LLP Boards, of the Los Alamos and Lawrence Livermore laboratories. Activities in this area include serving as Corporate Secretary for the Los Alamos and Livermore laboratory boards.

Additional **Functions** include providing system-wide specialist advice and support for:

- The University's health sciences enterprise;
- The human resources and employee benefits function, including advice and counsel on retirement, and health and welfare benefit plans; on labor relations, including contract negotiations;
- The area of environmental regulation, including preparing and reviewing Long Range Development Plans, Environmental Impact Reports, and other environmental documents;

- The University's extensive construction projects portfolio;
- The University's various business ventures and funding arrangements with outside parties;
- The University's intellectual property assets;
- The academic community and the teaching and research activities of the University;

Significant Budget Changes and Proposals

The FY0809 Budget for the *Office of General Counsel* (OGC) included approximately \$4 million for Outside Legal costs in unrestricted funds. Because these costs are reimbursed through recharges, they should have been counted as restricted funds. As such, the base for OGC's target reduction has been reduced from \$15 million to \$11 million, with a restated 10% target of \$1.1 million.

After excluding the reclassification of the \$4 million for Outside Legal Costs, the Office of General Counsel has reduced its budget of unrestricted funds by \$1,605,960 or 14.6%. The bulk of the reduction is attributable to the net elimination of 6.60 FTEs. A duplicate MSP V/Attorney position has been removed, an Attorney's salary has been removed because it is reimbursed by UCSF, and several positions or portions thereof have been transferred to restricted funding. The total budget (unrestricted and restricted together) has decreased by \$801,377 or 4.9%.

**University of California Office of the President
FY 2009-10 Appropriations Proposal**

Department: Office of the General Counsel		REVISED FY 2008-09 Budget After Mid Year Reductions				PROPOSED FY 2009-10 Budget				ADJUSTMENTS against FY 2008-09 Budget to derive FY 2009-10 Budget			
		FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
Salary & Benefits by Functional Unit													
1	Immediate Office of the VP & General Counsel	2.00	\$ 588,490	\$ -	\$ 588,490	2.00	\$ 589,278	\$ -	\$ 589,278	0.00	\$ 788	\$ -	\$ 788
2	Educational (Academic) Affairs & Campus Services	4.00	\$ 889,304	\$ -	\$ 889,304	5.00	\$ 867,191	\$ 183,997	\$ 1,051,188	1.00	\$ (22,113)	\$ 183,997	\$ 161,884
3	Health, Law, & Medical Center Services	7.00	\$ 1,440,438	\$ 242,655	\$ 1,683,093	6.00	\$ 1,209,614	\$ 242,655	\$ 1,452,269	-1.00	\$ (230,824)	\$ -	\$ (230,824)
4	Litigation, Labor, & Employment Law	17.00	\$ 2,129,987	\$ 1,349,569	\$ 3,479,556	16.00	\$ 1,782,816	\$ 1,439,098	\$ 3,221,914	-1.00	\$ (347,171)	\$ 89,529	\$ (257,642)
5	Business Transactions, Intellectual Prop & Land	18.00	\$ 2,331,981	\$ 1,225,728	\$ 3,557,709	18.00	\$ 2,207,377	\$ 1,391,359	\$ 3,598,736	0.00	\$ (124,604)	\$ 165,631	\$ 41,027
6	Land Use	0.00	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -
7	Governance & Compliance	3.00	\$ 622,895	\$ -	\$ 622,895	3.00	\$ 656,383	\$ -	\$ 656,383	0.00	\$ 33,488	\$ -	\$ 33,488
8	Financial & Business Services	41.50	\$ 2,575,557	\$ 547,583	\$ 3,123,140	35.90	\$ 1,491,492	\$ 1,384,719	\$ 2,876,211	-5.60	\$ (1,084,065)	\$ 837,136	\$ (246,929)
	Subtotal	92.50	\$ 10,578,652	\$ 3,365,535	\$ 13,944,187	85.90	\$ 8,804,151	\$ 4,641,828	\$ 13,445,979	-6.60	\$ (1,774,501)	\$ 1,276,293	\$ (498,208)
Operating Expenses & Support Costs													
1	Consultants & Professional Services		\$ 52,722	\$ 257,410	\$ 310,132		\$ 52,722	\$ 72,278	\$ 125,000		\$ -	\$ (185,132)	\$ (185,132)
2	Meetings & Related Costs		\$ 6,466	\$ 31,568	\$ 38,034		\$ 6,466	\$ 5,534	\$ 12,000		\$ -	\$ (26,034)	\$ (26,034)
3	Legal Costs		\$ 4,028,997	\$ 19,670,988	\$ 23,699,985		\$ -	\$ 23,699,985	\$ 23,699,985		\$ (4,028,997)	\$ 4,028,997	\$ -
4	Travel Related		\$ 66,538	\$ 324,862	\$ 391,400		\$ 66,538	\$ 235,682	\$ 302,220		\$ -	\$ (89,180)	\$ (89,180)
5	Utilities & Space Facilities Rental/Lease		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
6	Computer, Office Equip/Supplies/Svc Maint		\$ 75,280	\$ 367,543	\$ 442,823		\$ 75,280	\$ 364,720	\$ 440,000		\$ -	\$ (2,823)	\$ (2,823)
7	Outside Services & Experts		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
8	Other Office		\$ 214,655	\$ 1,048,021	\$ 1,262,676		\$ 383,196	\$ 879,480	\$ 1,262,676		\$ 168,541	\$ (168,541)	\$ -
	Subtotal		\$ 4,444,658	\$ 21,700,392	\$ 26,145,050		\$ 584,202	\$ 25,257,679	\$ 25,841,881		\$ (3,860,456)	\$ 3,557,287	\$ (303,169)
Personnel & Operating Costs Before Recharges			\$ 15,023,310	\$ 25,065,927	\$ 40,089,237		\$ 9,388,953	\$ 29,899,507	\$ 39,287,860		\$ (5,634,957)	\$ 4,833,580	\$ (801,377)
Recharges													
	Recharges-External		\$ -	\$ (14,693,991)	\$ (14,693,991)		\$ -	\$ (14,693,991)	\$ (14,693,991)		\$ -	\$ -	\$ -
	Recharges-UCOP		\$ -	\$ (9,005,994)	\$ (9,005,994)		\$ -	\$ (9,005,994)	\$ (9,005,994)		\$ -	\$ -	\$ -
	Subtotal		\$ -	\$ (23,699,985)	\$ (23,699,985)		\$ -	\$ (23,699,985)	\$ (23,699,985)		\$ -	\$ -	\$ -
Personnel & Operating Costs Net of Recharges			\$ 15,023,310	\$ 1,365,942	\$ 16,389,252		\$ 9,388,953	\$ 6,199,522	\$ 15,587,875		\$ (5,634,957)	\$ 4,833,580	\$ (801,377)
Program Costs & Fund Flowthru													
	Program Detail		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
	Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Grand Total		92.50	\$ 15,023,310	\$ 1,365,942	\$ 16,389,252	85.90	\$ 9,388,953	\$ 6,199,522	\$ 15,587,875	-6.60	\$ (5,634,957)	\$ 4,833,580	\$ (801,377)

Ethics, Compliance and Audit Services

Sheryl Vacca, Senior Vice President

Mission & Functions

System-wide Ethics, Compliance and Audit Services provides direction, guidance and resource references to each University of California entity on how to optimize ethical and compliant behavior and assure that proper controls are in place to mitigate risk. Its goal is to help the University perform its public responsibilities in an ethics-based environment with assurance that controls are in place to assist management in maintaining compliance with University policies, procedures and/or applicable legal requirements; and in which the public trust is mandated. Its major functions include:

- Provide oversight for the system-wide ethics and compliance program and internal audit programs to coordinate, inform, disseminate, and provide reporting mechanisms
- Provide oversight, investigative resources and direction for receipt, retention, and treatment of whistleblower and other complaints submitted by any party, internal or external to the organization, other than litigation
- Ensure the Regents, President and senior management are fully aware of major compliance and/or lack of controls issues through review of recommendations, assessing management's response to recommendations and findings and by recommending enforcement action
- Conduct the University's internal audit program (audits, advisory services, and investigations)
- Provide education/training materials and compliance policies through a general repository and mechanisms for delivery
- Advance the discipline of internal audit and compliance in higher education, research and healthcare by promoting cross-institutional sharing of best practices, publishing and speaking (at national conferences on compliance, internal audit and ethics)
- Provide a mechanism for continuously assessing the effectiveness of that environment in assuring that all system activities are conducted with integrity and compliant behavior

Significant Budget Changes and Proposals

System-wide Ethics, Compliance and Audit Services Office developed in 08 with minimal budget dollars for systemwide efforts. Additionally, positions needed were added with current FTE levels, ie: Privacy Officer and other workload assumed. In 09, the budget was to increase with needed positions by 17%. Department growth and requirements increased with a budget neutral effect although regulatory requirements and

control assurance requirements continue to increase due to economy and reduced resources. Therefore, 22% reductions will be incurred from originally proposed in 07 with a 09 reduction of actual unrestricted funds by about \$0.25 million or 5%, principally through the reduction of non-salary activities, ie: entertainment, travel and use of outside services.

**University of California Office of the President
FY 2009-10 Appropriations Proposal**

Department: Compliance and Audit		REVISED FY 2008-09 Budget After Mid Year Reductions				PROPOSED FY 2009-10 Budget				ADJUSTMENTS against FY 2008-09 Budget to derive FY 2009-10 Budget			
		FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
Salary & Benefits by Functional Unit													
1	Compliance	11.50	\$ 1,709,169	\$ -	\$ 1,709,169	11.50	\$ 1,709,169	\$ -	\$ 1,709,169	0.00	\$ -	\$ -	\$ -
2	Audit	11.80	\$ 1,649,190	\$ -	\$ 1,649,190	11.80	\$ 1,649,190	\$ -	\$ 1,649,190	0.00	\$ -	\$ -	\$ -
	Subtotal	23.30	\$ 3,358,359	\$ -	\$ 3,358,359	23.30	\$ 3,358,359	\$ -	\$ 3,358,359	0.00	\$ -	\$ -	\$ -
Operating Expenses & Support Costs													
1	Consultants and Professional Services		\$ 1,450,000	\$ -	\$ 1,450,000		\$ 1,400,000	\$ -	\$ 1,400,000		\$ (50,000)	\$ -	\$ (50,000)
2	Entertainment/Food		\$ 125,000	\$ -	\$ 125,000		\$ 60,000	\$ -	\$ 60,000		\$ (65,000)	\$ -	\$ (65,000)
3	Legal Costs		\$ 100,000	\$ -	\$ 100,000		\$ 90,000	\$ -	\$ 90,000		\$ (10,000)	\$ -	\$ (10,000)
4	Travel Related		\$ 200,000	\$ -	\$ 200,000		\$ 100,000	\$ -	\$ 100,000		\$ (100,000)	\$ -	\$ (100,000)
5	Utilities and Space Facilities Rental/Lease		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
6	Computer, Office Equip/Supplies/Svc Maint		\$ 65,000	\$ -	\$ 65,000		\$ 65,000	\$ -	\$ 65,000		\$ -	\$ -	\$ -
7	Outside Services & Experts		\$ 105,000	\$ -	\$ 105,000		\$ 55,000	\$ -	\$ 55,000		\$ (50,000)	\$ -	\$ (50,000)
8	Other Office (Includes Recharge Credit)		\$ 76,800	\$ -	\$ 76,800		\$ 76,800	\$ -	\$ 76,800		\$ -	\$ -	\$ -
	Subtotal		\$ 2,121,800	\$ -	\$ 2,121,800		\$ 1,846,800	\$ -	\$ 1,846,800		\$ (275,000)	\$ -	\$ (275,000)
Personnel and Operating Costs Before Recharges			\$ 5,480,159	\$ -	\$ 5,480,159		\$ 5,205,159	\$ -	\$ 5,205,159		\$ (275,000)	\$ -	\$ (275,000)
Recharges													
	Recharges-External		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
	Recharges-UCOP		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
	Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Personnel and Operating Costs Net of Recharges			\$ 5,480,159	\$ -	\$ 5,480,159		\$ 5,205,159	\$ -	\$ 5,205,159		\$ (275,000)	\$ -	\$ (275,000)
Program Costs and Fund Flowthru													
	Program Details		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
	Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
	Grand Total	23.30	\$ 5,480,159	\$ -	\$ 5,480,159	23.30	\$ 5,205,159	\$ -	\$ 5,205,159	0.00	\$ (275,000)	\$ -	\$ (275,000)

ACADEMIC SENATE

Academic Senate

Martha Winnacker, Executive Director

Mission & Functions

Mission

The *Academic Senate* is mandated by The Regents, with their approval, to exercise direct control over UC's central academic activities such as admissions policy, certificates, degrees, and approval of courses and curricula. The Academic Senate is also authorized to: advise the President on the University Budget and on matters concerning the administration of the libraries; and approve the publication of manuscripts by the University Press. In addition, in exercising its role under shared governance, the Senate provides advice to the University's administration on a broad range of issues relating to UC's mission of instruction, research, and public service.

Functions

The functions of the Senate are directed tied to the authority delegated to the Senate by the Board of Regents and accomplished through the Assembly, the Academic Council and the Standing Committees of the Assembly. The work of the Senate, through its committees of campus and at large members, is to forge common policy from 10 different campus perspectives: where 10 campuses become one University. The Senate office provides high-level analytical and staff support to the work of the committees in every significant policy domain of the University. Examples include but not limited to:

- Undergraduate admissions, conditions for admission and admissions policies are reviewed and established by the Board of Admissions and Relations with Schools (BOARS).
- Graduate admissions are monitored by the Coordinating Committee on Graduate Affairs (CCGA). CCGA is also responsible for the approval and periodic review of all graduate programs, including professional programs.
- Conditions for undergraduate degrees and regulations relating to the undergraduate education program are established and reviewed by the University Committee on Educational Policy (UCEP).
- Policies and procedures for determining the membership of faculties, and more importantly, policies for the advancement of faculty members, are under the jurisdiction of the University Committee on Academic Personnel (OCAP).
- The University Committee on Faculty Welfare (UCFW) provides advice to the administration on benefit programs and other welfare issues affecting faculty.
- The source of the Senate's view on the budget is the responsibility of the University Committee on Planning and Budget (UCPB).

In order to accomplish its mission, the Assembly, the Academic Council and seventeen (17) Standing Committees of the Assembly are supported by an administrative office composed of 10 FTE: and executive director, an associate director, 5 analysts, and 3 administrative assistants.

Significant Budget Changes and Proposals

Using the FY0809 mid-year budget as the base, the *Academic Senate* has reduced annual projected expenditures of unrestricted funds by \$214,879 or 10.06% principally through decreasing non-payroll categories for Meetings and Related Costs (\$1,500), Outside Services & Experts (\$1,400), and Faculty Compensation / Reimbursements (\$213,237). In addition, for FY0910 there has been a small increase to Travel of \$1,258.

**University of California Office of the President
FY 2009-10 Appropriations Proposal**

Department: Academic Senate												
	REVISED FY 2008-09 Budget After Mid Year Reductions				PROPOSED FY 2009-10 Budget				ADJUSTMENTS against FY 2008-09 Budget to derive FY 2009-10 Budget			
	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs	FTE	Unrestricted	Restricted	Total Costs
Salary & Benefits by Functional Unit	10.00	\$ 760,726	\$ -	\$ 760,726	10.00	\$ 760,726	\$ -	\$ 760,726	0.00	\$ -	\$ -	\$ -
1. Academic Senate Committee Support												
Subtotal	10.00	\$ 760,726	\$ -	\$ 760,726	10.00	\$ 760,726	\$ -	\$ 760,726	0.00	\$ -	\$ -	\$ -
Operating Expenses & Support Costs												
1. Consultants & Professional Services		\$ 5,000	\$ -	\$ 5,000		\$ 5,000	\$ -	\$ 5,000		\$ -	\$ -	\$ -
2. Meetings & Related Costs		\$ 81,500	\$ -	\$ 81,500		\$ 80,000	\$ -	\$ 80,000		\$ (1,500)	\$ -	\$ (1,500)
3. Legal Costs		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
4. Travel Related		\$ 352,742	\$ -	\$ 352,742		\$ 354,000	\$ -	\$ 354,000		\$ 1,258	\$ -	\$ 1,258
5. Utilities & Space Facilities Rental/Lease		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
6. Computer/Office Equip/Supplies/Svc Maint		\$ 15,000	\$ -	\$ 15,000		\$ 15,000	\$ -	\$ 15,000		\$ -	\$ -	\$ -
7. Outside Services & Experts		\$ 10,400	\$ -	\$ 10,400		\$ 9,000	\$ -	\$ 9,000		\$ (1,400)	\$ -	\$ (1,400)
8. Other Office		\$ 10,000	\$ -	\$ 10,000		\$ 10,000	\$ -	\$ 10,000		\$ -	\$ -	\$ -
Subtotal		\$ 474,642	\$ -	\$ 474,642		\$ 473,000	\$ -	\$ 473,000		\$ (1,642)	\$ -	\$ (1,642)
Personnel & Operating Costs Before Recharge		\$ 1,235,368	\$ -	\$ 1,235,368		\$ 1,233,726	\$ -	\$ 1,233,726		\$ (1,642)	\$ -	\$ (1,642)
Recharges												
Recharges-External		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Recharges-UCOP		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Total Personnel & Operating Costs After Recharges		\$ 1,235,368	\$ -	\$ 1,235,368		\$ 1,233,726	\$ -	\$ 1,233,726		\$ (1,642)	\$ -	\$ (1,642)
Program Costs & Fund Flowthru												
Faculty Compensation/Reimbursements at Campus		\$ 900,000	\$ -	\$ 900,000		\$ 686,763	\$ -	\$ 686,763		\$ (213,237)	\$ -	\$ (213,237)
Subtotal		\$ 900,000	\$ -	\$ 900,000		\$ 686,763	\$ -	\$ 686,763		\$ (213,237)	\$ -	\$ (213,237)
Grand Total	10.00	\$ 2,135,368	\$ -	\$ 2,135,368	10.00	\$ 1,920,489	\$ -	\$ 1,920,489	0.00	\$ (214,879)	\$ -	\$ (214,879)

Report of the Working Group on the Roles of the Office of the President

Governance Committee of the Board of Regents

January 8, 2008

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EXECUTIVE SUMMARY

In the spring of 2007, the Board of Regents and the president of the University of California undertook a major effort to assess the organization and operations of the university's finance and administrative functions, centering on the Office of the President (UCOP). The initial diagnostic phase of that work revealed significant dissatisfaction with UCOP's performance, as well as concerns about its role in areas where it is perceived to add limited value. A major cause of these problems has been a lack of clarity about UCOP's mission and appropriate role, which has been further blurred by the Regents' active intervention in a number of areas, as they have sought to carry out their fiduciary obligations. A key conclusion of the diagnostic was that it is critical to restore confidence in UCOP, examining institutional roles and authorities to determine where reaffirmations or changes need to be made in administrative governance.

In response, a Working Group¹ was formed to make recommendations regarding the respective roles, decision-making authority and accountabilities of the president, Regents and chancellors, and principles for redesign of UCOP. This report is intended to (1) provide recommendations for the reaffirmation / realignment of presidential roles vis-à-vis the Regents and chancellors;² (2) provide design guidance for reconfiguring UCOP and systemwide support services; and (3) provide preliminary input for reappraising Regental interaction with the university administration. The key specific proposed changes relative to the current state are summarized on pages 18-19.

High-level Roles and Interfaces of the Regents, President and Chancellors

The Working Group believes the university will be best administered by reaffirming the three complementary spheres of authority and responsibility, delineated as follows.

The Board of Regents provides fiduciary oversight and broad policy determination. As the fiduciaries of the university, the Regents' principal purpose is to sustain and enhance the university as a thriving institution. The Regents' primary *administrative* responsibilities are to (a) establish general university policies consistent with the mission of the state's public, land-grant research university; (b) provide direction on the university's priorities; (c) hire, support and evaluate the performance of the president; (d) delegate, with appropriate oversight, the authority for the management of the university to its executive officers; and (e) approve major operating decisions as opposed to maintaining detailed involvement in transactional matters.

The president provides executive leadership of the university as a whole. The president has primary responsibility for managing the activities and standards that are central to the mission of the institution and essential to the idea of one university. Maintaining appropriate oversight, the president delegates to the chancellors and other executives the duties of administering the various units of the university. The president's responsibilities can be viewed in four dimensions:

- Academic leader of the institution: Defining the vision for the university, and leading the system in developing and executing plans in support of that vision
- Chief executive officer: Leading the administration of the university, especially selecting, supporting and evaluating the performance of chancellors, representing the campuses to the Regents, and establishing a structure to manage the university's affairs
- Primary external advocate: Promoting the university's interests and managing its reputation with external stakeholders
- Guardian of the public trust: Ensuring legal and ethical compliance, managing system risk and providing information regarding university activities

¹ The Working Group's membership includes Provost and Executive Vice President W. R. Hume (Sponsor), UC Davis Chancellor Larry Vanderhoef (Convener), Regent Leslie Schilling, Regent Ben Allen, Executive Vice President Katherine Lapp, Academic Senate Chair Michael Brown, UC Irvine Executive Vice Chancellor and Provost Michael Gottfredson, UC Santa Cruz Vice Chancellor Meredith Michaels, and UC Berkeley Vice Chancellor Nathan Brostrom, with staff participation by Vice Provost Daniel Greenstein, Special Assistant to the Provost Jan Corlett, Special Advisor to Chairman Blum Betsy Horan, and the Monitor Group.

² This report does not purport to describe the roles and responsibilities of the Regents and Chancellors except as they pertain to the interfaces with the president, nor does it comment on or seek to alter the role of the Academic Senate.

The chancellors play a dual role in providing executive leadership to their respective campuses and supporting the president in accomplishing universitywide goals. Their primary administrative responsibilities are to (a) provide leadership in defining and accomplishing the campus vision, goals and plans; (b) select, support and evaluate campus senior administrators; (c) represent the campus within the University and in the external community; (d) assist the president in establishing and then accomplishing systemwide goals; and (e) ensure that the campus administration adheres to policies and practices in compliance with Regental and presidential policies; and (f) exercise sound stewardship of state resources.

Design Principles for Reconfiguring UCOP

The Office of the President has two broad functions. Its primary function is to support the president in executive leadership of the university as a whole (see above), and to assist the president in providing information and analyses to the Regents of the University so that their responsibilities may be effectively achieved. Its secondary function is to provide various services to the wider university community. The Working Group has developed a general set of principles for assessing and improving the performance of these functions, in order to make them more efficient, decisive, responsive and transparent.

The first assessment principle is whether a given activity needs to be performed at UCOP. If not, it should be delegated, consistent with a general preference for responsible relocation of authority to the chancellors and campuses, or eliminated if the activity is unnecessary. Second, primary UCOP activities supporting presidential leadership of the entire institution should undergo a thorough review, during which major processes and departmental boundaries must be reexamined to eliminate unnecessary work, simplify structure where possible, clarify decision-rights, specify competencies required for key roles, identify critical systems deficiencies, and increase responsiveness to customers or stakeholders. Third, activities generally classifiable as universitywide support services should be reconfigured where feasible into one of two formats—(a) systemwide Service Centers, i.e., dedicated business units under accountable managers, whose mission is to provide high-quality services in the most cost-effective manner possible; or (b) Coordinated Local Functions, where substantial benefit accrues from alignment or coordination of consultative bodies across campuses, with integrated central support from UCOP where needed.

For both Service Centers and Coordinated Local Functions, incentives and accountability mechanisms must be redesigned to meet cost-benefit tests, designate knowledgeable administrators or bodies to be responsible, and ensure that the interests of the system as a whole are properly represented. Service Centers and Coordinated Local Functions could well be managed at a campus or by a third-party vendor, rather than at UCOP—again, the preference is to locate such entities pragmatically as close to the source of activity or relevant, cost-effective expertise as is practical and responsible.

Crosscutting these design principles is the need to pair delegation of authority with appropriate oversight responsibility. UCOP's oversight role recently has too often been one of gatekeeper, approving (or denying) campus proposed actions; similarly, the Regents have felt an understandable fiduciary need to increase their oversight activities, which has caused them to enter into considerable transactional detail. Motivations aside, the impact of fastidious oversight has significantly slowed decisive decision-making at the university. The Working Group believes that a superior form of oversight can be accomplished at UCOP by instituting an effective performance management system, combined with targeted auditing to ensure compliance with policies. A system of targeted review / approval of defined major decisions by the president and (where appropriate) the Regents can complement the oversight system, without losing the substantial benefits of operating flexibility.

Regental-administration Interaction

To allow the Regents to fulfill their policy-setting and fiduciary roles, and to withdraw with confidence from the transactional oversight detail just mentioned, they will need reliable and timely information that restores their confidence in the integrity of UCOP administrative processes. The Regents legitimately require—and the administration also urgently needs—basic systems to support human-resources, oversight, compliance and

risk-management procedures. The systems required to do this are expensive, long-term investments, but they are properly matched to long-term administrative needs of the university, and they are needed now.

In addition, to enhance clarity and impartiality of communication, the Working Group believes that the president should be the authoritative sole official channel of communication between the Board of Regents and the administrative structure of the university. This important formality should be supplemented with specific protocols to facilitate normal interaction between Regents and administrators.

Mechanisms Required for Successful, Lasting Implementation

Inasmuch as some of the Working Group's recommendations have been discussed in previous administrative reform efforts, it is useful to ask how, this time, success in implementation can be made more likely and durable. The Working Group emphasizes the following six mechanisms as key success factors:

- True performance management systems: Direct connection of authority, responsibility and results via clear statements of expectations, alignment of incentives, formal performance evaluation, professional support mechanisms, clear consequences, and planned succession programs;
- Two-way accountability systems: Campus accountability to Regents and president, coupled with UCOP accountability to the campuses for the quality and cost-effectiveness of services;
- Clear decision rights: Specification of decision rights (e.g., right to make, be consulted on, ratify, or be notified of decisions) for processes at UCOP and the campuses;
- Clear, authoritative system of communication between the Regents and the president: Practical protocols to guide communication between Regents and senior administrators, both at UCOP and on the campuses, on the basis of a single authoritative channel through the president to the Regents;
- Formal and responsible channels of communication between the campuses and UCOP: Two-way flow of information between the campuses and UCOP—a truly consultative management practice rather than a top-down 'headquarters'-style communication flow;
- Modernization of key information and management systems and processes: Investment in modern human resources and enterprise risk management systems, to support both Regental and administrative needs for timely, accurate data.

Recommendations to Governance Committee

The Working Group recommends that the Governance Committee:

- Reaffirm and endorse the clarification of the roles, high-level decision-rights, responsibilities and accountabilities of the president, Regents and chancellors detailed below;
- Endorse the design principles for reconfiguration of UCOP;
- Support the institution of the six mechanisms for successful implementation of administrative reform; and
- Consider the observations on Regental-administrative interaction as essential to the effective functioning of the Office of the President.

REPORT OF THE WORKING GROUP ON THE ROLES OF THE OFFICE OF THE PRESIDENT

I. WORKING GROUP CHARGE AND OBJECTIVES OF THIS REPORT

In the spring of 2007, the Board of Regents and the president of the University of California undertook a major effort to assess the organization and operations of the university's finance and administrative functions, centering on the Office of the President (UCOP).

The initial diagnostic phase of that work revealed significant dissatisfaction with UCOP's performance on some critical support functions for the university, as well as concerns about UCOP's involvement in areas where it is perceived to add limited value. The diagnostic work found multiple causes of these problems, all of which have developed over time—lack of clarity about UCOP's mission and appropriate role in the university, significant structural and systems issues, prolonged review processes, and a control, rather than service, orientation. Furthermore, in this context the Regents' fiduciary obligations have caused them to intervene actively in a number of administrative areas, further blurring the lines of responsibility for governance and management in the university.³

Notwithstanding the talent and efforts of many committed individuals, it has become apparent that institutional confidence must be restored in the Office of the President. In addition, institutional roles and authorities must be examined to determine where traditional arrangements need to be reaffirmed or where adjustments need to be made. These needs have intensified as the competitive and financial environment of the 21st century has increased pressure upon the university to become more adroit operationally and strategically.

To address these challenges, and in order to enable the university to deliver on its mission effectively and efficiently, a Working Group of senior university leaders⁴ was called together to make recommendations regarding the respective roles, decision-making authority and accountabilities of the president, Regents and chancellors, and principles for redesign of UCOP.

The purpose of this Working Group report to the Governance Committee of the Board of Regents is to:

1. Provide recommendations to ensure clarity about fundamental roles and responsibilities in the administrative governance of the University of California:
 - The role of the president, including high-level decision-rights, responsibilities, and accountability;
 - The roles of the Regents and chancellors with respect to the president, including their high-level decision-rights, responsibilities, and accountabilities;
2. Provide design guidance for reconfiguring UCOP and restoring its credibility:
 - Principles to clarify UCOP activities and streamline processes, address issues of trust, reconfigure activities where necessary to ensure added value to the campuses and capture savings opportunities, and create a performance- and service-oriented administrative culture;
 - Identification of mechanisms, including institutional and systems reforms, needed for successful implementation.
3. Provide a basis from which the Regents can regain confidence in UCOP and reengage with a primarily supervisory role.

Importantly, this report does *not* purport to describe the roles and responsibilities of the Regents and chancellors except as they pertain to their administrative interfaces with the president, nor does it comment on or seek to alter the role of the Academic Senate. It also does not address the roles of the General Counsel,

³ See *Monitor Group Report to the Regents: University of California Organizational Restructuring Effort (September 2007)*.

⁴ The Working Group's membership includes Provost and Executive Vice President W. R. Hume (Sponsor), UC Davis Chancellor Larry Vanderhoef (Convener), Regent Leslie Schilling, Regent Ben Allen, Executive Vice President Katherine Lapp, Academic Senate Chair Michael Brown, UC Irvine Executive Vice Chancellor and Provost Michael Gottfredson, UC Santa Cruz Vice Chancellor Meredith Michaels, and UC Berkeley Vice Chancellor Nathan Brostrom, with staff participation by Vice Provost Daniel Greenstein, Special Assistant to the Provost Jan Corlett, Special Advisor to Chairman Blum Betsy Horan, and the Monitor Group.

Chief Audit and Compliance Officer, and Chief Investment Officer of the University, who share reporting relationships to the Regents and to the president.

The report is structured as follows:

- Context and fundamental principles (section II below);
- High-level roles of the Regents, president and chancellors; and Four Dimensions of the president’s Role, together with the authorities, responsibilities, and general decision-rights at the interfaces (sections III and IV);
- Design principles for reconfiguring UCOP and—since many issues raised in this effort have been common to previous investigations⁵—key mechanisms for making the reconfiguration successful (sections V and VI);
- Summary of proposed changes (VII).

II. INSTITUTIONAL CONTEXT AND CORE ORGANIZATIONAL PRINCIPLES

In this section, much will be familiar. However, the Working Group believes that in reappraising an institution as complex as the University of California for the purpose of constructive reform, it is crucial to start from a shared understanding of fundamentals.

Institutional Context of the University

The Working Group has based its deliberations on these fundamental characteristics of the university:

- The University of California is the designated research university within the public higher-education system of the state of California.
- Teaching, research and public service by the faculty and students constitute the purpose and value of the institution.
- The university is an institution in the land grant tradition, with responsibilities to the people of the state of California for advancing their welfare as well as pursuing scholarly and scientific inquiry.
- The university can be considered as a single federation of campuses with distinctive strengths and a common aspiration for excellence.
- The university operates under shared governance by the Regents, president and Academic Senate, with ongoing consultation concerning its fundamental policies and priorities.

Core Organizational Design Principles

The Working Group has approached the reexamination of roles and responsibilities and reconfiguration of UCOP with the following core organizational design principles in mind:

- The purpose of the governance and organizational structure of the university is to enable the effective and efficient provision of the university’s teaching, research and service mission.
- The university is best served when headed by a strong president, with a lean, well-focused support staff, who leads the university decisively to implement systemwide strategic priorities.
- The university’s structure requires striking a sound balance between campus autonomy and the interests of the institution as a whole:
 - The university’s mission is carried out at the ten campuses, motivating delegation of decision-making authority to the chancellors and campuses where possible.

⁵ For example, *The Role of the Office of the President in the Management of the University of California*, California Postsecondary Education Commission 1991.

- When the goals or needs of the university as a whole arise—e.g., in attaining major systemwide economies of scale or achieving long-range plans—central leadership must assure that the common interest is well defined and strongly supported.
- The chief benefits of good organizational design arise from clarity of roles, congruent authority and responsibility, simplification of structure, transparency of function, and establishment of mutual accountability.
- Beyond reporting relationships, effective structures of administrative authority require:
 - Promulgation of regulations that are clear and sufficiently detailed but also allow for the exercise of appropriate local judgment;
 - Support from systems that can amply fulfill institutional obligations for the compliant performance of administrative duties.

III. HIGH-LEVEL ROLES OF THE REGENTS, PRESIDENT AND CHANCELLORS

In governing the University, administrative authority arises from the Regents. It is delegated to the president and in turn is delegated to and exercised day-to-day by the chancellors. This chain of delegation establishes three complementary spheres of administrative authority and responsibility:

- Overall policy determination and fiduciary oversight from the Board of Regents;
- Executive leadership of the university as a whole by the president;
- Executive leadership of the campuses by the chancellors.

The following sub-sections lay out the Working Group’s general perspective on roles, key responsibilities and accountability within each of these spheres.

1. *Role of the Board of Regents*

The people of California have a vested interest in maintaining a university to promote the social and economic welfare of the community by providing higher education and the benefits of research within the framework of the Master Plan. Their trusted representatives are the Regents, appointed by the governor as fiduciaries of the university trust independent of political or sectarian influence. As such the Regents’ highest concern must be to sustain and enhance the university as a thriving institution and to ensure it can attain the highest levels of excellence, create value for the people of California, achieve the university’s plans, manage its funds responsibly, and comply with policies the Regents determine to be in the university’s best interests.

In the view of the Working Group the Regents’ primary general administrative responsibilities are to:

- Establish general university policies and standards consistent with their best judgment, in exercising their fiduciary role, and consistent with the mission of the state’s public, land-grant research university;
- Provide direction regarding the university’s priorities and long-range goals;
- Hire and evaluate the performance of the president of the university;
- Delegate authority for the management of the university to its executive officers, and establish appropriate oversight mechanisms to ensure that they:
 - Lead the university in achieving its mission of excellence in teaching, research and service;
 - Promote and protect the interests of the university externally;
 - Manage funds according to the standards established by the Regents;
 - Ensure compliance with Regental policies and applicable laws and regulations.
- Support the president and chancellors institutionally and personally in the achievement of the university’s mission; and
- Approve major systemwide operating decisions including those above specified high financial or risk thresholds.

The Regents' accountability is broadly to the people of the state, to one another as fiduciary colleagues, and to the president and the faculty, because Regental support of them is vital to the success of the university.

2. *Role of the University President and UCOP*

The Working Group believes in a strong presidency coupled with sound, effective institutional arrangements as the foundation of confidence in the administration of the University of California, and in the value of superior leadership capabilities—both of competence and of style—as the foundation of trust in the president.

Within the University of California structure, the president provides executive leadership for the institution as a whole, with responsibility for managing the university's affairs in accordance with the policies established by the Regents. The president has particular responsibility for managing the activities and standards that are central to the mission of the institution and essential to the idea of one university. Maintaining appropriate oversight, the president delegates to the chancellors and other executives the duties of administering the various units of the university.

The president's responsibilities can be viewed in four dimensions (see Figure 1):

Fig. 1: Dimensions of the Role of the President



- **Academic leader of the institution:** Defining the vision for the university, and leading the system in developing and executing plans in support of that vision
- **Chief executive officer:** Leading the administration of the university, especially selecting, supporting, and evaluating the performance of chancellors; representing the campuses and labs to the Regents; and establishing a structure and policies to manage the university's affairs
- **Primary external advocate:** Promoting the university's interests and managing its reputation with external stakeholders
- **Guardian of the public trust:** Ensuring legal and ethical compliance, managing system risk, providing information regarding university activities, and assuring accountability to the public concerning the university's conduct

The several dimensions of the role of the president—and their implications for the reciprocal decision-rights and responsibilities at the interfaces with Regents and chancellors—are described in greater detail in the following section.

The president is specifically accountable to the Regents for his or her performance in office, and broadly to the faculty and students of the university for promoting the success of the university's mission.

3. Role of the Chancellors and Campuses

The chancellors play a pivotal dual role in the federal structure into which the University of California has evolved. They are the chief executive officers of their respective campuses. They also are primary colleagues and advisors to the president, playing an indispensable part in helping define and accomplish the goals of the university as a whole.

The chancellors' primary administrative responsibilities are to:

- Provide leadership to the faculty and align the administration in defining and accomplishing campus vision, goals and plans;
- Select, support, and evaluate campus senior administrators;
- Represent the campus to the president, ensuring that he or she understands campus accomplishments, interests and needs—and represent the campus externally, in collaboration with the president where appropriate;
- Assist the president and university administration in establishing and accomplishing key universitywide goals and programs;
- Ensure that campus administration adheres to policies and practices in compliance with Regental and presidential policies; and
- Exercise sound stewardship of state resources.

The chancellors are specifically accountable to the president for campus leadership, administration and performance in accordance with the vision, long-range strategic plan and policies of the University. They are broadly accountable to the faculty and students of their campuses in promoting the success of the institutional mission.

The Working Group feels it important to emphasize that, in each instance of delegation of authority, superiors have responsibility to expend significant time and effort supporting the success of the administrator in question.

IV. DIMENSIONS OF THE ROLE OF THE PRESIDENT

The Working Group has disaggregated the president's overall role into four major complementary dimensions. Each dimension entails specific responsibilities and high-level decision rights, which in turn have implications for the interfaces with the Regents and the chancellors.

1. Academic Leader of the Institution

As leader of the university's educational and research mission, the president:

- Defines and inspires support for the vision of a modern public research university;
- Leads the system in achieving the University's public service obligations, in accordance with Regental priorities:
 - ▶ The president defines and leads the execution of long-term plans for the university, following policies set by the Regents.
 - ▶ The president has specific responsibility and authority to develop a program, in consultation with the chancellors, to enlist the campuses to attain universitywide objectives and to hold the chancellors accountable for performance.
- Upholds and promotes educational access, affordability and quality of the university's education and research activities, consistent with the policies and standards set by the Regents.

2. Chief Executive Officer

As the university's chief executive, the president:

- Selects and evaluates chancellors and senior administrators of the university administration:
 - ▶ The president is responsible for selecting, setting expectations for, and evaluating the performance of the chancellors,⁶ to whom is delegated very broad executive authority for the management of campus and laboratory affairs, and from whom is expected both local leadership and key participation in achieving the university's common goals.
 - ▶ Likewise, the president selects, sets expectations for, supports and evaluates the vice presidents of the university, who directly aid the president in his or her leadership, advocacy, administration and compliance responsibilities.
 - ▶ The appointments of chancellors and senior administrators of UCOP are reviewed and approved by the Regents.
- Acts as the sole authoritative contact between the Regents and university as a whole, to preserve consistent and reliable administrative communication:
 - ▶ As chief executive officer, the president is the responsible channel of information and decision-making between the Regents and chancellors and other administrators—e.g., communicating Regental interests, inquiries, requests, and decisions *to* the chancellors and campuses, and ensuring accurate representation of campus interests, accomplishments and needs *from* the campuses to the Regents.
 - ▶ The president has the specific responsibility and authority to develop systems and processes to provide the Regents with accurate information as to the state of the university's operations and capabilities, so that the university can attain its goals—in particular, the proliferation of offices providing official information to the Regents (beyond limited and practical purposes) should be avoided for reasons of both clarity and efficiency, and, where necessary, investments should be undertaken to provide systems support for these functions.
 - ▶ For practical purposes, the president may establish protocols and processes for communication between the Regents and executive officers (e.g., between Regental committee heads and chancellors or UCOP officials).
- Establishes and administers the university management structure:
 - ▶ The president oversees management of university-level operations at UCOP and systemwide service provision through support functions to the campuses.
 - ▶ The president approves major decisions having systemwide implications.
 - ▶ The Regents monitor the performance of the administrative structure established by the president but do not specify details of the structure.
- Allocates systemwide operating and capital funds:
 - ▶ The president is ultimately responsible for developing the operating and capital budgets of the campuses, UCOP and other university units, in support of systemwide and campus-level priorities, through a transparent budgetary process.
 - ▶ The president is also responsible for pursuing state funds on behalf of the university to fund the budgets.
 - ▶ The chancellors are responsible for participating in the budgeting process and for assuming shared financial responsibility for achieving systemwide priorities.

⁶ The president also selects the Director of Lawrence Berkeley Laboratory, and subsequent references to chancellors in this document apply as appropriate to the director.

- ▶ The Regents are responsible for approving the systemwide operating and capital budgets proposed by the president, and for supporting the president in his pursuit of state funding.

3. *Primary External Advocate*

In his or her role as the chief representative of the University of California, the president:

- Champions the value of the University's education, research and service to the public:
 - ▶ The president leads the communication and advocacy of the value of public higher education, research and the economic and social impact of the university's activities.
 - ▶ The Regents are responsible for supporting the president in this role and contributing to his or her success by participating in the advocacy program as requested.
 - ▶ The chancellors are responsible for supporting the president's systemwide communications program and conducting campus communications in a manner consistent with it.
- Manages the University's overall external reputation:
 - ▶ The president is responsible for fostering, coordinating and supporting institutional, alumni, donor and industry relationships at the university level.
 - ▶ The chancellors, in addition to managing external relationships locally, are responsible for participating in system-level relationship-building as requested by the president.
 - ▶ The Regents are responsible for working in concert with the president to develop system-level relationships.
- Represents the University to the state and federal governments:
 - ▶ The president is responsible for representing the university to the state and federal governments through a governmental relations program that calls upon the resources of the entire university as appropriate.
 - ▶ The Regents are responsible for participating in the representation of the university to government entities at the request of the president.
 - ▶ The chancellors rely on the president's leadership to represent their interests to the state and federal governments, and they are responsible for providing campus-level resources in collaboration with the president's governmental relations program.

4. *Guardian of the Public Trust*

As the primary individual charged with safeguarding the reputation of the university, the president

- Sets specific policies and monitors compliance for ethical conduct and proper use of funds:
 - ▶ Following general policies set by the Regents, the president is responsible for setting compliance policies at a level of specificity that provides for necessary levels of commonality across the system and assurance of appropriate behavior.
 - ▶ The president is also responsible for putting in place appropriate thresholds for executive decision-making authority at the campuses with respect to compliance, to allow adequate latitude for the exercise of local administrative judgment.
 - ▶ The Regents set general compliance policies and standards and, by periodic audit using generally accepted approaches, certify performance to appropriate levels.
 - ▶ The chancellors have specific responsibility for the application of standards, policies and processes articulated by the president and for ensuring their fulfillment at their several institutions.
- Identifies, manages and mitigates financial, administrative and professional risks in order to protect the university system
 - ▶ The president is responsible for instituting systemwide risk management systems and processes and monitoring universitywide compliance.

- ▶ The Regents are responsible for setting general policies on risk and certifying overall compliance.
- ▶ The chancellors are responsible for applying risk-management systems and monitoring compliance at the campuses.
- Provides timely information on university activities in response to appropriate requests
 - ▶ The president is responsible for identifying systemwide information needs and ensuring that standards, practices and systems meet these needs in a timely and accurate manner in response to legitimate administrative requests for information. To do this, the president must develop and execute plans for appropriate investments and information systems implementations, along with necessary administrative innovations.
 - ▶ The Regents are responsible for setting general policies and protocols for obtaining the information needed to allow them to fulfill their supervisory and fiduciary obligations.
 - ▶ The chancellors are responsible for administering the necessary systemwide processes and information systems in the campus environment.

V. DESIGN PRINCIPLES FOR RECONFIGURING UCOP

The purpose of designing principles for the reconfiguration of UCOP is to clarify where UCOP activities can be streamlined, usefully refocused, relocated to deliver value most efficiently, created where critical gaps exist, or eliminated if they do not add value.

In general, UCOP plays two broad roles. Its primary function is to support the president in executive leadership of the university as a whole (see above), and to assist the president in providing information and analyses to the Regents of the University so that their responsibilities may be effectively achieved.

Over the years, UCOP services supporting the president have gone largely without reexamination as to pertinence or effectiveness; it is appropriate to review them now. At the same time, campus-directed support services have grown to consume a substantial fraction of UCOP's activity. Some of these services have had a compelling rationale to be centralized and provided by UCOP, while others have not; some have demonstrated accountability to their customers in the system, while others have not. As a result, UCOP has become less attentive to its primary role in supporting the president, and its effectiveness as a provider of systemwide services has suffered in the eyes of its customers. In addition, opportunities exist for centralization of administrative functions now carried on by individual campuses that could result in lower costs without sacrificing service quality.

Principles for Reconfiguring UCOP

The Working Group has been highly aware of the conflicting pressures inherent in organizational reform, including the importance of details, but has deliberately kept its advocacy of redesign principles at a general level.

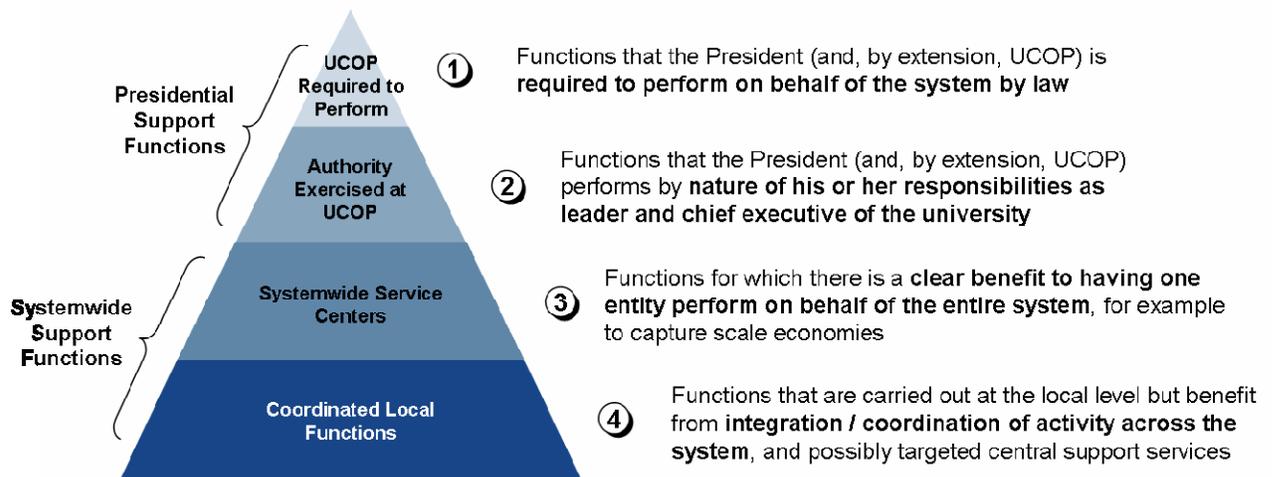
The first question to be asked and answered is whether a given service needs to be performed at all at UCOP. If not, it should be eliminated, or relocated according to the principles elaborated below.

Secondly, in developing principles for redesign, the Working Group has identified four levels of administrative activity at UCOP, as illustrated in Figure 2, which can usefully support the two broad roles of UCOP:

- Presidential support functions: Functions that the president (and, by extension, UCOP) performs on behalf of the system—either because he or she must do so by law (Level 1) or does so by nature of the president's responsibilities as academic leader of the institution or chief executive of the university (Level 2);
- Systemwide support functions:

- Service Centers: Functions for which there is a clear benefit to having one entity perform on behalf of the entire system (Level 3)—e.g., capturing scale economies;
- Coordinated Local Functions: Functions that are carried out primarily at the (inter)campus level but which can benefit from alignment or coordination of activity across the system and, frequently though not always, some degree of central support (Level 4).

Fig. 2: Categories of Administrative Activity at UCOP



Presidential Support Functions (Levels 1-2)

The distinguishing feature of the core, top-level functions is that UCOP personnel perform them in aid of the president as he acts on behalf of the entire university or exercises definitive decision-rights on behalf of the administration of the enterprise, as a consequence of one or more of the dimensions of the president’s role (see above, section III).

These functions come into play, at Level 1, as the president acts as the designated legal agent for the Regents—e.g., when the president or his designees enter into contracts, file a unified tax return, and so on. These functions occur, at Level 2, when the university’s common front or face as a whole system is involved—e.g., when the president leads the university in fulfilling its educational mission, directs the administration in executing the university’s long-range plan, leads the process of the university budget, is responsible for negotiations with the state government, represents the university as a whole to external entities, or is chief spokesperson to the public concerning the value of the university’s activities. In many of these functions the president routinely and closely consults with chancellors and campus administrators. However, the ultimate authority and decision responsibility rest in the president’s hands.

Supporting the president at these two levels forms the core work of UCOP. Acknowledging the accomplishments of many capable individuals at UCOP, the Working Group also believes there is a pressing need to integrate UCOP into a lean, purposeful organization. Particularly in light of the critiques of its performance, UCOP’s *modus operandi* must be reconstituted to be efficient, decisive, responsive and transparent in doing so. Major processes and departmental boundaries must be reexamined to eliminate unnecessary work, simplify structure where necessary, clarify decision-rights, specify competencies required for key roles, and identify critical systems deficiencies.

The second broad category of activity at UCOP pertains to its role as a provider of services to the campuses or system, as distinct from activities in support of the president. This category includes two kinds of functions, Systemwide ‘Service Centers’ and Coordinated Local Functions; each of these is discussed, in turn, below.

Systemwide ‘Service Centers’ (Level 3)

The Working Group suggests that, where appropriate, service functions now at UCOP be reconfigured from undifferentiated departments into distinct “Service Centers”—in effect, dedicated management units, or even mini-businesses, whose overarching mission should be to provide high-quality services in the most cost-effective manner possible. Some entities historically housed at UCOP (e.g., Continuing Education of the Bar, the UC Press) exemplify the type, which can usefully be extended to other activities.

Candidates for creation of systemwide Service Centers are activities where there are:

- **Potential cost savings** due to economies of scale or scope (e.g., spreading fixed costs)—which are identifiable, whose value outweighs the investment required to obtain them, and which are realizable with intensified management focus on obtaining results;
- **Potential service quality improvements** (e.g., greater consistency, timeliness, access to expertise or better systems)—which are substantial and where appropriate customization for campus needs can be met at reasonable cost, due to pooling of resources.

Importantly, Service Centers are appropriate in cases where the activities do *not* require intensive, ongoing consultation from each campus entity in order to be delivered effectively (if intensive consultation *is* needed, the Coordinated Local Function format below is more appropriate).

Each Service Center should have a responsible managing executive in charge, reporting either to a chancellor or to a senior vice president in UCOP and, ultimately, to the president. Service Centers must have specific service agreements with campus customers that provide (a) appropriate commercial terms or transfer-pricing as appropriate, (b) incentives to ensure high service quality and responsiveness to customer needs, and (c) options for reasonable “opt-out” decisions by individual campuses if the Service Center does not meet the terms of the agreement. Structures of accountability—e.g., boards where appropriate—should be instituted to ensure that customer-service orientation is built into the entities.

Any such reconfiguration as a Service Center naturally must meet a straightforward economic test—namely, total benefits (e.g., cost and /or risk reduction, access to scale, innovation gains from best-practice sharing, enhanced differentiation with customers or partners) must outweigh total costs (e.g., coordination, complexity, cost of suboptimal results for some campuses, risk of poor decisions due to distance from the front lines, etc.). For functions currently provided by UCOP, if the test is not met, the function should be eliminated or relocated into a more efficient entity.

Physical location of the Service Centers is a pragmatic decision (see Figure 3). A campus, group of campuses or a third-party vendor can act as the location for a Service Center for a given function, provided they can supply cost / quality combinations better than the current offering. A campus may be able to provide enhanced service quality because of better understanding of campus needs, quicker responsiveness, or existing expertise that can lower cost or improve quality. UCOP should house Service Centers primarily in special circumstances (e.g., if practical governance or pricing mechanisms cannot be devised to ensure equitable treatment of all campuses, or no campus is willing).

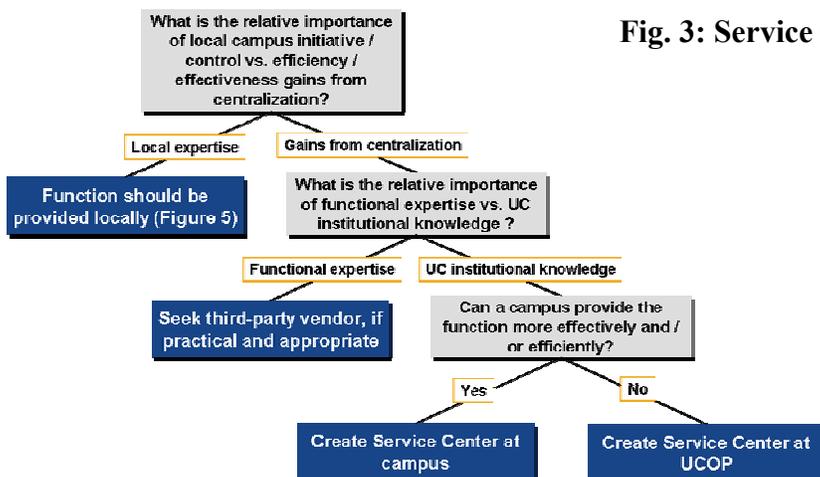


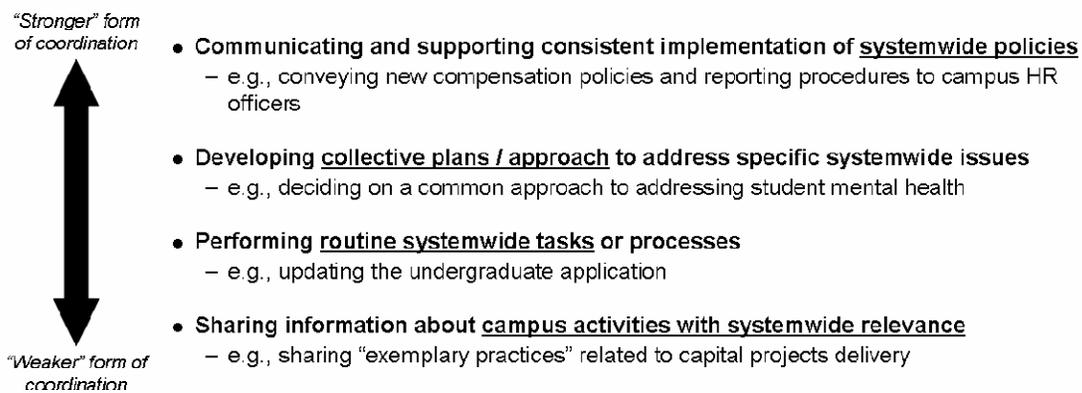
Fig. 3: Service Center Location Choice Logic

Coordinated Local Functions (Level 4)

Many functions across the university are carried out primarily at the campuses but can benefit significantly from some degree of cross-campus integration, coordination and / or targeted central support services. For example, admissions decisions are made locally by each campus, but campus admissions directors collaborate to update the undergraduate application, and UCOP provides administrative support for the applications process.

The current practice of systemwide coordination varies substantially, ranging from high-level debate on critical policies, to development of collective approaches (e.g., by the medical centers in some areas), to informal peer gatherings to share best practices (figure 4). Central support services likewise currently vary from formal and elaborate to *ad hoc* and informal.

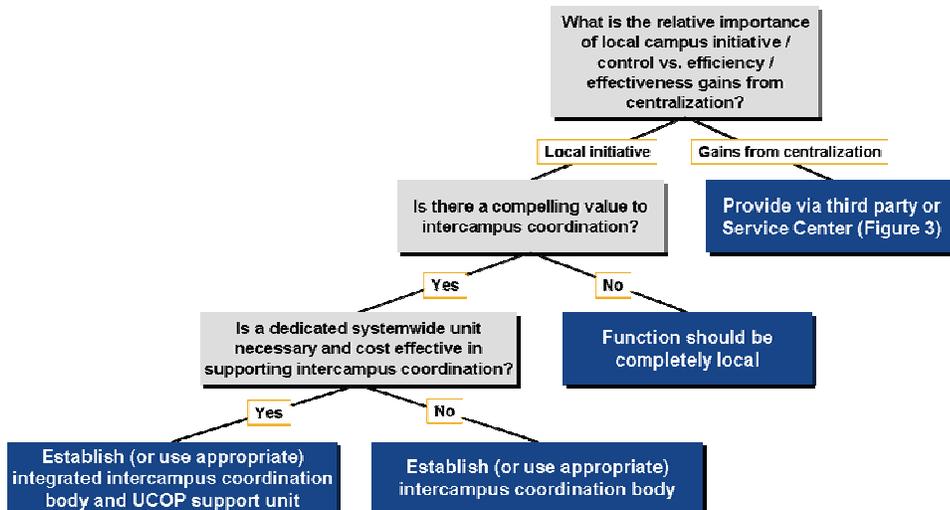
Fig. 4: Spectrum of Current Systemwide Coordination Activities



As with other activities, over time these functions have tended to accrete and grow at UCOP, consuming significant resources but adding limited value and creating overlapping jurisdictions. The design problem to be solved, therefore, is to provide for consultation and support to the degree needed, assign clear decision rights and responsibility for results, and to prevent the accretion of unaffiliated support services.

Reconfiguring the coordinated functions effectively requires a logic screen for both structure and applied resources (Figure 5).

Fig. 5: Coordinated Function Design Logic



Where cross-campus coordination makes sense, the mechanism for that coordination can vary. In some instances it makes sense for a central staff to exist to effect the coordination while in others the coordination can be effected by formal cross-campus councils (e.g., Council of Chancellors, Council of Executive Vice Chancellors, etc.), or can be initiated *ad hoc* by a campus reaching out to the other campuses around a specific issue. Where it makes sense for an intercampus body to drive coordination, a key decision to be made is whether such a body should be granted decision rights for a given function.

If central facilitation support or targeted support services (such as training) are needed and cost-effective, these coordinated functions take on a stronger form—becoming *integrated activity systems*, where some activities are managed and performed by the campuses with support from UCOP. To make such integrated activity systems work properly, the campuses should be accountable for the performance of the function at the campus level, while the economics, incentives and accountabilities of those providing the support services at UCOP are structured to appropriately represent the interests of the coordinated whole. This will provide a check on the past tendency of “convening” and “coordinating” functions to grow centrally at UCOP, often consuming significant resources but adding limited value.

Delegation of Authority and Oversight / Compliance

As discussed under the structure of the university, the core organizational design principles and the role of presidents and chancellors, the preference and recommendation of the Working Group is to delegate authority and administrative decision-making rights as close to the point of activity as is reasonable. This is because decisions of higher quality can be made in a more timely fashion when they are taken with ‘specific knowledge’ of the circumstances. At the same time, however, it is important to acknowledge that both the Regents and the president have oversight and compliance responsibilities over all University activities—and therefore all four activity categories listed above have overlaid upon them a set of UCOP and Board oversight and compliance processes.

The form that the interplay of delegation of authority and oversight / compliance takes is critically important. In recent years, UCOP’s oversight role has all too often been one of gate-keeper, reviewing and approving (or denying) proposed campus actions. Lately the Regents have felt a need to increase their oversight activities by reviewing and approving (or denying) proposed plans and actions in detail. This review/approval approach has had two major drawbacks: it adds time (and therefore cost) to the decision process and can result in suboptimal decisions because the reviewers lack the requisite ‘specific knowledge’ and because, in some cases, the reviewers are less expert than those proposing.

A superior form of oversight can be accomplished through an effective performance management system, combined with targeted auditing to ensure compliance with policies. In such a system, clear performance goals / benchmarks are established up front, incentives are aligned with those goals, performance against the goals is evaluated, and consequences are delivered. For the most part, the University does not currently have such a fully-integrated performance management system, and one needs to be created.

To deal with the impact of major strategic and operating decisions, a system of targeted review / approval by the president and (where appropriate) the Regents can complement the oversight system just described, without losing the substantial benefits of operating flexibility. While ‘major’ needs to be more fully defined, it could be broadly characterized as system-level decisions—such as budget approval, debt capacity, new campus openings, etc., or approval of campus-level decisions with the potential to impact the entire university (e.g., opening of a new professional school)—or decisions that, should they go awry, would have the potential to harm the entire institution (e.g., investments or contracts above a certain threshold, most probably one higher than the current threshold, which has not been changed for years).

For many campus functions, UCOP can exercise its performance oversight duties solely through the president’s management oversight of the chancellor. However, for some functions, effective performance oversight is best done when UCOP can look across similar units on each campus. This is especially true for

functions requiring specialized expertise in evaluating the performance of units, such as with the medical centers. A next step should be to determine which functions require such “matrixed” performance oversight.

VI. MECHANISMS REQUIRED FOR SUCCESSFUL IMPLEMENTATION

Several efforts at administrative reform over the last 20 years have mentioned many of the issues and suggestions in this report, at various levels of detail. It is important to ask how, this time, success in implementation can be made more likely and durable.

The Working Group believes that six major mechanisms should be instituted across all administrative venues for the clarification of roles and reconfiguration of UCOP to be successful on a long-term basis.

1. True performance management systems:

Establishing a reliable connection between authority, responsibility and results requires that performance management systems be developed and maintained at a high standard of human resources practices. This involves at a minimum (a) a formal statement of expectations of the administrator by the delegating party; (b) alignment of incentives with those expectations; (c) periodic formal performance evaluation of the administrator based on the expectations and on responsible input from informed parties; (d) systematic support for the administrator, e.g., by protocols for performance feedback and by formal programs or informal approaches to coaching and professional development; (e) the delivery of real consequences for performance relative to those expectations; and (f) planned succession programs where appropriate.

The Working Group believes these structures must be put in place beginning with senior administration, e.g., by the Regents with respect to the president, and by the president with respect to the chancellors and senior officers of UCOP.

2. Two-way accountability systems:

Given the university’s culture and governance structure, it is important that administrators not simply fulfill the requirements of a reporting relationship but also respond to the legitimate needs of the communities they serve. As such, while the campuses need to be accountable to the Regents and the president for their performance, UCOP departments also need to be accountable to the campuses for creating value—i.e., for not only service levels but also for the costs of the central activities and for the burdens (cost, slower processes, etc.) placed on the campuses from the central activities, including oversight and compliance activities. For example, at the department or unit level, systems must be established to solicit and evaluate responsiveness and satisfaction from users of services (e.g., at the campuses) and those affected by administrative processes, as a key criterion of performance.

3. Clear decision-rights:

This document addresses high-level decision rights. To implement successfully, major administrative processes at UCOP and the campuses should be disaggregated and decision-rights (i.e., the right to make the decision, consult on it, ratify it, or be notified of it) specified in detail. In the case of processes involving consultation but of paramount importance to the university (such as the budget), it is especially important that general protocols for deliberation and final decision-making be established and enforced to prevent drift.

4. Two-way channels of communication between the Regents and the president, to assure clarity and accountability, requiring mechanisms in both directions:

- Practical protocols should be established to guide communication between Regents and senior administrators, both at UCOP and on the campuses, on the basis of a single authoritative channel through the president to the Regents;
- After appropriate review, the processes and information systems to provide the Regents with information to enable them to carry out their fiduciary responsibilities with confidence should be strengthened so as to eliminate the need for extensive *ad hoc* information requests or investigations (see also below).

5. Formal and responsible channels of communication between the campuses and UCOP:

The Working Group believes that a two-way flow of information between the campuses and UCOP—a truly consultative management practice rather than a top-down ‘headquarters’-style communication flow—is needed to sustain the health of the university’s federal administrative system, and that accountability for results concerning intercampus administrative issues should be mutual. The linchpin mechanisms of these communication channels are:

- The transparent budget process, in which the process leading to final resource allocation has been orderly and open and presidential decisions are clearly understood; and
- Formalized decision-rights and responsibilities for intercampus bodies, where applicable, so that participation in universitywide administration is accompanied by accountability for action and results.

6. Modernization of key information and management systems and processes.

To allow the Regents to fulfill their policy-setting and fiduciary roles, and to withdraw with confidence from the transactional oversight detail just mentioned, they will need reliable and timely data. The Regents legitimately require—and the administration also urgently needs—basic systems to support human-resources, oversight, compliance and risk-management procedures. The Working Group advocates that investments in modern human-resources and enterprise risk-management systems be specified, strongly endorsed and funded by top administration and the Regents, and managed to completion.

VII. RECOMMENDATIONS AND SUMMARY OF PROPOSED CHANGES

The Working Group recommends that the Governance Committee

- Reaffirm and endorse the clarification of the roles, high-level decision-rights, responsibilities and accountabilities of the president, Regents and chancellors (sections II through IV);
- Endorse the design principles for reconfiguration of UCOP (section V);
- Support the institution of the six mechanisms for successful implementation of administrative reform (section VI); and
- Consider the observations on Regental-administrative interaction as essential to the effective functioning of the Office of the President.

The Working Group also highlights the following more specific clarifications and/or changes to present practice, which it believes are needed in order to achieve the specific purposes of this report:

- Clarifying decision-making to permit more effective attainment of universitywide goals:
 - The president should have the explicit responsibility to lead the University in achievement of systemwide goals (such as the long-range plan), with the corresponding authority to call on the chancellors and the entire university for assistance in realizing these goals.

- In addition to having responsibility for the performance of their individual campuses, the chancellors should explicitly share responsibility in the “commons” for helping to define and accomplish universitywide goals, including carrying out campus activities in a manner that is consistent with the interests of the university as a whole.
- Clarifying authority to increase effectiveness of administration at the campus level:
 - UCOP should have a preference to locate administrative functions at the campuses or other locations as close to the source of value as is practical and appropriate.
 - The chancellors should have direct authority and accountability for judicious application of general policies at their respective campuses.
 - Specific decision-rights and definitions of conditions and thresholds for presidential / Regental approval of major systemwide operating decisions should be established.
- Establishing principles to reconfigure UCOP as a more effective, service-oriented entity:
 - UCOP should focus its primary activity on functions to support the president’s work.
 - Systemwide services should be reconfigured as distinct Service Center entities, where feasible and cost-effective, using service agreements and establishing clear accountability, in order to take advantage of system scale and expertise; where practical, these Service Centers should be provided by a campus or third-party vendor.
 - Intercampus coordinating functions should be used or set up to take maximum advantage of local initiative and managerial capabilities, and, when required and cost-effective, should integrate central expertise provided from UCOP.
 - UCOP should shift its oversight and compliance approach from “comprehensive transaction approval” to “performance management with selective review and approval.”
- Instituting a culture of performance and accountability:
 - True performance management systems—with clear expectations, alignment of incentives, regular evaluations, necessary support structures, delivery of consequences, and succession planning—should be instituted, beginning with the president, chancellors and UCOP senior officers.
 - Accountability mechanisms should be attached to major UCOP functions, reflecting the views of the campus-based customers.
- Provide a basis for Regents’ regaining confidence in UCOP in a primarily supervisory role
 - The principle of Regental focus on fiduciary rather than transactional activity should be reaffirmed.
 - The president should institute practical protocols to guide communication between Regents and senior administrators.
 - A review of needs, specification, investment and implementation of key information, compliance and risk-management systems should be undertaken, both to provide the Regents with data and confidence they require for their fiduciary responsibilities and to support administrative responsibilities with appropriate systems capabilities.

The Regents of the University of California

COMMITTEE ON GOVERNANCE

January 16, 2008

The Committee on Governance met on the above date at Covell Commons, Los Angeles campus.

Members present: Regents Gould, Lansing, Pattiz, Preuss, and Schilling

In attendance: Regents Allen, Blum, Bugay, Dynes, Hopkinson, Island, Kozberg, Lozano, Marcus, Ruiz, and Varner, Regents-designate Scorza and Shewmake, Faculty Representatives Brown and Croughan, Secretary and Chief of Staff Griffiths, Associate Secretary Shaw, General Counsel Robinson, Chief Investment Officer Berggren, Chief Compliance and Audit Officer Vacca, Provost Hume, Executive Vice Presidents Darling and Lapp, Vice Presidents Beckwith, Dooley, Foley, and Sakaki, Chancellors Birgeneau, Bishop, Block, Blumenthal, Drake, Fox, Kang, Vanderhoef, and Yang, Acting Chancellor Grey, and Recording Secretary Bryan

The meeting convened at 10:55 a.m. with Committee Chair Lansing presiding.

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

Upon motion duly made and seconded, the minutes of the meeting of November 15, 2007 were approved.

2. **PROPOSED TECHNICAL AMENDMENT OF STANDING ORDER 100.4 – DUTIES OF THE PRESIDENT OF THE UNIVERSITY – REGARDING AUTHORITY TO WRITE OFF BAD DEBT CONSISTENT WITH REGENTS' ACTION OF MARCH 2006**

The President recommended that, following service of appropriate notice, Standing Order 100.4(w) be amended as follows:

Deletions shown by strike out, additions by underscore

100.4 Duties of the President of the University

* * *

- (w) The President is authorized to write off bad debts, provided reserves for that purpose are adequate or that specific income or an appropriation is available for that purpose. ~~A report on bad debt write-offs shall be submitted annually to the Committee on Finance.~~

* * *

In March 2006, the Regents agreed to delete the annual bad debt write-off report. The proposed action would memorialize that decision within Standing Order 100.4(w).

Upon motion duly made and seconded, the Committee approved the President's recommendation and voted to present it to the Board.

3. **DATES OF REGENTS MEETINGS FOR 2009**

The President recommended that the following dates of Regents meetings for 2009 be approved:

2009
 January 13-15
 March 17-19
 May 19-21
 July 14-16
 September 15-17
 November 17-19

Regent Hopkinson noted that many Regents have scheduling conflicts because of their obligations with respect to other boards. Committee Chair Lansing observed that establishing the Regents' schedule far in advance provides the opportunity for Regents to arrange their other commitments around it.

Regent Gould believed that the Regents needed more time to consider the proposal. Committee Chair Lansing proposed that the Secretary and Chief of Staff make an attempt to find dates amenable to as many Regents as possible and resubmit a recommendation. She emphasized that, in order to ensure that Regent Garamendi would be available to attend Regents meetings, it was the sentiment of the Board that dates for the meetings be established that do not conflict with the meeting schedule of the CSU Board of Trustees.

4. **AMENDMENT AND CLARIFICATION OF REGENTS' POLICY ON APPOINTMENT OF CHANCELLORS**

The President recommended that the Regents' Policy on Appointment of Chancellors be amended, as shown below.

The President noted that amendments to paragraphs (2) and (3) reflect and affirm current practices regarding selection and duties of members for the committee appointed to advise the President during the search for a new Chancellor.

* * *

Deletions shown by strike out, additions by underscore**POLICY ON APPOINTMENT OF CHANCELLORS**

Approved May 15, 1981

- (1) The President of the University will conduct a continuous search for promising candidates for Chancellorships . This process is included as an important complement to the systematic nationwide search which will be undertaken each time a vacancy occurs.
- (2) When a vacancy occurs or is imminent, a ~~joint Regents-Faculty~~ committee will be appointed to advise the President of the University. The Committee will consist of five Regents appointed by the Chairman of the Board, as well as the Chairman of the Board and the President of the University, who serve ex officio. Additional committee members will be selected as follows: five faculty members appointed by the President of the University – one shall be either the Chair or the Vice Chair of the Academic Council, one shall be a faculty member from a campus other than the one that is the subject of the search, chosen from a panel submitted by the campus Academic Senate's Universitywide Committee on Committees, and the Chairman of the Board and the President of the University, ex officio, and three shall be campus faculty members chosen from a panel submitted by the campus Academic Senate Committee on Committees. A graduate and an undergraduate student appointed by the respective graduate and undergraduate student associations of the campus, an alumni representative appointed by the alumni association of the campus, a Foundation representative chosen by the President from a panel of names submitted by the Campus Foundation, and a staff employee representative of the campus selected ~~in accordance with the procedures established by the President by the~~ Campus Staff Assembly shall be invited to attend meetings of the Committee with full participation in discussion and debate . The President of the University will convene the Committee.
- (3) The five faculty members on the Committee, working with the President of the University or the President's designee will submit to the Committee for evaluation not less ~~fewer~~ fewer than five ~~nor more than fifteen names of~~ promising candidates ~~whom the President considers promising.~~ The Committee will evaluate these nominations ~~of the President~~ and may consider or suggest other names. It may interview candidates. It will solicit the opinions of other interested groups in whatever manner it considers appropriate.
- (4) Both the committee and the President shall be mindful of the University's firm commitment to ~~affirmative action~~ diversity in the employment of women and minorities in seeking out the most qualified candidates.

- (5) After the Committee has completed its evaluations and advised the President of the University, the President will make his recommendation to The Regents for consideration and approval.

Upon motion duly made and seconded, the Committee approved the President's recommendation and voted to present it to the Board.

5. **REPORT OF THE WORKING GROUP ON THE ROLES OF THE OFFICE OF THE PRESIDENT**

Committee Chair Lansing recalled that the Working Group on the Roles of the Office of the President was convened to make recommendations regarding the roles, decision-making authority, and accountability of the President in relation to the Board of Regents and the campuses, and to provide principles for the organizational redesign of the Office of the President (OP). With the search for a new President and the budget crisis in mind, the group has been working for the past six months on defining more clearly the role of the President in relation to the Board of Regents and the campuses. Its report is a work in progress but is expected to be final soon.

Regent Lansing noted that, as the Regents began to define their role and conduct, it became apparent that more orientation for new Regents was necessary and that it might be beneficial to hold a retreat and establish mentoring and Board evaluation programs.

Provost Hume presented the report of the Working Group and described how its recommendations are guiding ongoing efforts to refashion the Office of the President, making it more responsive to the needs of both the Regents and the campuses. He recalled that he had charged the group and that it had been convened by Chancellor Vanderhoef. It was convened originally in response to the diagnostic report developed by The Monitor Group assessing the effectiveness and efficiency of administrative and financial functions across the University but focusing in particular on the Office of the President. The assessment that Monitor did, which was presented to the Regents in September, highlighted a number of critical problems internal to the Office of the President, including that decision-making processes were slow, overly complex, and lacking in transparency. There was a tendency for the Office to act as a gatekeeper rather than as a partner with the campuses, policing instead of enabling, imposing administrative and business practices that were not sensitive to campus needs, and in some cases adding to campus costs. There was a lack of clarity about the role of the Office of the President in relation to the Regents and the campuses.

Provost Hume reported that the Working Group tackled these issues by focusing on the role of the President with respect to those of the Regents and Chancellors and then on the functions of the President's Office in support of that role. The report advises how to strengthen interfaces between the President and the Regents and between the President and the Chancellors, which is essential to the good governance of the institution.

Chancellor Vanderhoef reviewed the Working Group's findings. The Group articulated the following core principles that characterize the University and guide the manner in which it is governed. The University:

- Is the designated research university within the public higher-education system of the State of California.
- Is an institution in the land grant tradition, with responsibilities to the people of the State of California for advancing their welfare, as well as pursuing scholarly and scientific inquiry. It is the University's obligation to pursue solutions to societal problems.
- Operates under shared governance, with specific authorities, by the Regents, President, and Academic Senate. This requires ongoing consultation among the three.
- Is a single federation of campuses, benefitting from a balance between distinctive campus excellence and autonomy and the interests of the institution as a whole.
- Is an institution in which the Regents delegate authority for management of the University's affairs to the President, supported by the administrative structure that he or she puts in place.

Chancellor Vanderhoef reported that the Group identified four complementary dimensions of the President's role: academic leader of the institution; chief executive officer; primary external advocate; and guardian of the public trust.

As academic leader of the institution, the President must develop, inspire, and support the long-range vision for the University and must lead the University in realizing its vision. In this role, the President will also be responsible for fulfilling the historic public service obligations of the University, ensuring its continuing contribution to the social and economic welfare of the people of California. The K-12 educational initiative is the most recent example of this kind of contribution, which necessarily focuses the creative energies and the resources of the whole University. The President must give leadership to such activities. The President will always promote and support educational access, affordability, and quality.

As the chief executive officer, the President selects, supports, and evaluates the Chancellors. The Chancellors are responsible for the academic quality and effective administration of the campuses. The President is the sole authoritative contact with the Regents. Campuses formally communicate with the Regents only through the Office of the President, and vice versa. This is essential to ensuring consistent and clear communication and the smooth running of the organization. The Working Group concluded that the rules of this communication seem to have been lost during the last few years. In the role of chief executive, the President allocates system-wide funds, another critical function of the University that supports individual campuses as well as the University as a whole.

In a third dimension of the role, the President is the primary external advocate for the University and for higher education generally, responsible for representing the University

to the State and federal governments, and for pursuing a single budget for the University from the State of California.

Lastly, the President, as the guardian of the public trust, must set clear policies and monitor compliance with them, provide appropriate and timely information on the University's activities, and protect the University by proactively identifying and managing the risks that are always present in a large and complex institution.

Having established the President's role, it is easier to understand the related roles of the Regents and Chancellors. The Regents have a solemn responsibility as the fiduciaries of the University. In that role, they set policies and standards and provide direction for setting priorities and long-range goals. They select, support, and evaluate the performance of the President. They approve major systemwide operating decisions. They delegate authority to the President as appropriate, with effective oversight mechanisms. The Chancellors play a pivotal dual role as leaders of their campuses and primary colleagues and advisors to the President. Each Chancellor is responsible for leading faculty, students, and staff in pursuit of a campus vision. They are responsible for selecting, supporting, and ensuring the good performance of senior campus administrators and for representing their campuses within the University, with the Office of the President, and externally. Like the President, the Chancellors must be guardians of the public trust, ensuring campus compliance with University policies and exercising sound stewardship of resources. Chancellors also assist the President in, and share responsibility for, establishing and achieving Universitywide goals. In this regard, they are responsible not only for their campuses but for all of those things that the President decides must be done as a system. It is the Chancellors' responsibility to make sure that the campuses are involving themselves in these Universitywide goals.

The Working Group defined the appropriate functions of the President's Office, given the respective roles of the President, the Regents, and the Chancellors. There are functions required by law to be in that office and functions that support the four dimensions of the President's role as leader, CEO, advocate, and guardian. There are other functions, however, located at the Office of the President that support the system by coordinating or supporting campus efforts in, for example, technology transfer and student admissions, or by providing systemwide services such as the California Digital Library that it does not make sense to replicate ten times. The Working Group found that, over time, the Office of the President has accumulated a variety of support functions and combined these organizationally with those directly supporting the President. As a consequence, the Office has grown larger. In some cases it has become slower, and in some it has lost its focus.

To support the redesign of the Office of the President, the Working Group recommended several organizational design principles. These include a preference for a strong President with a lean and well-focused staff; sensitivity to the need to strike a balance between campus autonomy and the interests of the institution as a whole; the assurance that the President, Chancellors, and respective staffs have clear roles and thereby clear mechanisms for

accountability; and the establishment of integrated information and risk management systems that not only support good decision-making on the campuses but also in OP and that help manage risk and promote transparency and accountability. Several of these features have been deemed lacking in recent years.

Provost Hume commented that the Working Group's report had provided valuable advice in ways that will become apparent in more detail when the new budget for OP is presented at the March meeting. In accordance with the Working Group's recommendations, the administration has worked to distinguish the functions in OP that support the President directly from those that support the system as a whole. With regard to the former, work continues on developing the appropriate scale, organization, and integration of support that will make OP more effective and reduce its costs. With regard to the services that support the system, new models of governance and oversight are being considered to ensure that those services are truly responsive to campus clients. Systemwide support services are being identified that do not need to be located in Oakland – that would work better on a campus or if provided by a third party. Some activities have been identified that neither support the President directly nor provide systemwide services. In those cases there are two options: move the activity to a campus or eliminate the function.

Restructuring the Office of the President, while difficult, is relatively straightforward. Clarifying the respective roles and responsibilities of the Regents and the Chancellors relative to the President and ensuring that effective accountability measures are put in place requires the active participation of the Board and close communication with the Chancellors. The Working Group made specific recommendations for strengthening the interface between the President and the Regents and the President and the Chancellors. The Working Group recommends reaffirming the Regental focus on fiduciary and priority issues, formalizing the Presidential performance evaluation process, and establishing and adhering to practical protocols for communications. With regard to the interface between the President and the Chancellors, the Working Group recommends greater delegation of administrative and business functions from the President's Office to the Chancellors when appropriate, clearer mechanisms for accountability of the Chancellors for their specific authorities and responsibilities, stronger performance management systems, and transparent and effective two-way communication processes.

Regent Marcus noted that the environment in which the University exists has changed dramatically in recent years. Some fundamental and simple things must be recognized. The Committee on Governance, the Regents, the Office of the President, and the Chancellors must address the role of a centralized versus a decentralized model. The absence of an Executive Vice President for Development and Alumni Relations indicates a misunderstanding of the current environment when the State is facing a \$400 million shortfall. He emphasized that the model that is established will need to last into the future.

Regent Gould acknowledged the importance of the Working Group at a time when the delineation of the respective roles and the evaluation of functions and resources and their use

have become essential. Also, it sets some guidelines by which the Regents can assess their own performance as well as the performances of the President and Chancellors. Discussing these respective roles and functions provides a road map for determining whether those roles are being adhered to.

Regent Schilling noted the efforts under way for Regents' orientation. She supported the recommendations to establish a mentoring program and a code of conduct for the Regents and to hold a retreat. She believed that the Committees specifically could benefit from this and urged that it move forward as soon as possible. Regent Lansing expressed her hope that a retreat could be scheduled for the spring.

Regent Bugay recalled comments about support services and administrative roles that might, under a different structure, be performed elsewhere in the system and the potential cost savings projected. He requested further detail about what financial benefit could be gained by the realignment of services. Provost Hummel responded that 10 percent reduction in expenditures within the Office of the President was targeted. As the budget is recast, however, the administrative structure is also being recast in order to simplify and coordinate those services that support the President in the execution of his work. He reported that by March he expected to be in a position to provide a dollar figure. He noted that many of the areas that provide support to the campuses are funded by other mechanisms. Those areas also have been asked to reduce their administrative costs by at least 10 percent to put more of their services towards the functions that they deliver. He recalled that a program to induce voluntary separations and early retirements in the Office of the President requires participants to declare their participation by the end of this month. At that time, the level of savings and therefore the need for layoffs can be assessed. As the restructuring continues, decisions will be made about the necessity for further action.

Regent Hopkinson believed that the three most important things that Regents can do are to define their roles, set priorities, and establish methods to assure accountability. She believed that the roles of the Regents had changed over time in ways that have become unworkable. Committee Chair Lansing emphasized that reestablishing Regental roles is essential in order to delineate a new President's responsibilities and the interface of that individual with the Board. She urged the Regents to continue their dialogue so that the process can move forward expeditiously.

Regent Island commended the Working Group for its focus on the use of Regental approval for transactional decisions. He believed, however, that the subject deserved a more in-depth analysis. He noted that there are policies, processes, and procedures that bring to the Board for approval transactional decisions that should not rise higher than the Office of the President. He believed that the Regents had no basis upon which to make many of these decisions. He urged the Working Group to examine whether recently adopted policies or practices should be eliminated so as to give the Board adequate time to address broader issues. Regent Schilling urged the Regents to provide their input to the Working Group with respect to such considerations. Regent Lansing acknowledged the Regents' responsibility

for creating some unworkable procedures. She suggested that recommendations for making changes in the way the Regents function be channeled through the Secretary and Chief of Staff.

Regent Kozberg noted that there are established principles for non-profit organizations and suggested that these be reviewed and shared with the Regents. She observed that, because there are not campus governing boards, the Chancellors do turn to the Regents, and they require a simple way of communicating that will not hinder action. She also advocated establishing a schedule for the periodic assessment of the respective roles.

Regent Preuss noted that the role of President also has changed in recent years, to emphasize a focus on University- and state-centric concerns. UC presidents have not been known to be nation-centric. He envisioned appointing a new President who will be more actively involved in national policies concerning education and attuned to political emergencies and the moral status of the country. The appointment of a national figure who is immersed in such issues may result in a need for the Regents and the Office of the President to adopt a wider range of responsibilities.

Regent Marcus agreed with the remarks of Regent Island concerning transactional decisions. He stressed the importance of lining up the regulatory basis for Regental behavior so that compliance is made possible and issues such as retaining talent and supporting research can be addressed.

Regent Varner believed that new Regents would benefit from having the role of the Regents defined. He noted that often, when asking for advice from other Regents, he had received conflicting answers.

Regent Allen acknowledged the necessity of re-thinking the Regents' oversight role. He suggested adding more members to the Committee on Governance so as to improve the likelihood of securing a quorum. He stressed the importance of acknowledging the hard work of staff in OP, considering that morale there had reached a new low. He was hopeful that the restructuring of OP would not impair or eliminate vital functions such as community college outreach, institutional relationships, and student service work.

Regent Pattiz acknowledged that the role of Regents had changed substantially during his tenure. He cautioned that in the haste to delineate the responsibilities among the various constituencies at the University the Regents must take into account that in the minds of many the Board has the ultimate responsibility for everything. Because of the difficulties of the past few years, Regents have become involved in areas in which they had not previously been involved, sometimes inappropriately. He acknowledged, however, the impact of Sarbanes-Oxley and the fact that the public has become increasingly interested in the Board's decisions. The Regents must not abdicate their responsibility for assuring that the University operates correctly in a variety of areas.

Regent Parsky also acknowledged the changes in Regental roles. He advocated examining each Committee to ensure that its responsibility includes oversight in its substantive area. An appropriate measure of Regental involvement needs to be determined, but he believed that the involvement should be extensive. There is also the need to have Regents understand that being on the Board carries with it a substantial commitment of time. He commented that there is a need for a level of support to enable Regents to carry out their responsibilities. He stressed the direct responsibility of the Regents to oversee the safety and soundness of the University's financial condition, including the pension plan and the endowment.

In response to Regent Bugay's request for a timeline for action, Committee Chair Lansing reported that the Committee's work would proceed with Regent Kozberg continuing her work with the Secretary and Chief of Staff to develop the orientation and mentoring programs and Regent Schilling working with the Secretary and Chief of Staff to develop the code of conduct. The recommendations will be made available to the Regents in advance of the March meeting so that action may be taken. She reiterated the need to view the final document as being a living document that would be re-evaluated over time.

Regent Ruiz noted that the Board's committee structure posed challenges because of the open meeting law. He believed that the Regents' inability to participate in true committee meetings added to the Board's dysfunction.

Regent Hopkinson stated that she would find it useful to have General Counsel Robinson summarize the implications of Sarbanes-Oxley for the University.

Regent-designate Shewmake stressed the need for an accelerated orientation for those Regents with two-year terms. He believed that a summary of the major issues covered during the past ten or fifteen years would enhance their overall understanding of issues.

Regent Marcus recalled that the Board is a constitutional body. He was unclear, however, as to the role of the Legislature in relation to the duties and responsibilities of the Regents. He referred to SB 190, which modified Regental conduct and suggested that at the next meeting General Counsel Robinson briefly explain that relationship.

The meeting adjourned at 12:05 p.m.

Attest:

Secretary and Chief of Staff

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Current Policies

STATEMENT OF EXPECTATIONS OF THE MEMBERS OF THE BOARD OF REGENTS

Approved November 18, 2004

Amended November 16, 2006

Amended March 20, 2008

Guidelines for Discharge of Regental Duties

The responsibility of individual Regents is to serve as trustees for the people of the State of California and as stewards for the University of California, acting to govern the University in fulfillment of its educational, research, and public service missions in the best interests of the people of California.

Recognizing the broad authority and responsibility vested in the Board of Regents for the governance and operation of the University of California, there is a specific expectation that members of the Board become knowledgeable regarding the educational, research, and public service programs of the University of California as well as the duties, responsibilities, and obligations of Regents.

Preparation

Members of the Board are expected to prepare themselves for the issues coming before the Board and to base votes on the information available and their best judgment. An orientation is mandatory for all new Regents.

Attendance and Participation

Members of the Board are expected to attend and participate in meetings of Board and committees to which they are assigned. Board members are also welcome to attend meetings of other committees to which they are not assigned, but they are not required or expected to do so. Board members are also encouraged to attend and participate in other events at which Board member participation is appropriate.

Cooperation

It is expected that Board members will abide by Board decisions and policies in a manner consistent with the member's fiduciary duties. This is not intended to preclude either forthright expression of opposition or efforts to change such policies or decisions. Expression of opinion or position at variance with such policies or decisions should clearly indicate that it is not to be construed as a position of the Board and that the opinion expressed is that of an individual Regent. Board members should respect the opinions of other Board members, University officials, faculty, students, and staff. Consistent with the Regents Policy on the President as Spokesperson for the University (effective January 18, 1962), the President shall be the spokesperson for the University with the Chairman of the Board being the spokesperson for the Board.

Confidentiality

Board members are expected to maintain the confidential nature of Board deliberations held in closed session, including written and verbal communication.

Ethics

Regents are expected to serve the public trust and to fulfill their responsibilities ethically in a manner consistent with that obligation. This means that decisions are to be made solely to promote the best interests of the University as a public trust, rather than the interests of a particular constituency, and that Board members will disclose personal, familial, business relationships, or other potential conflicts of interest as appropriate.

Fiduciary Responsibilities

Regents are expected to accept responsibility for the integrity of the financial, physical, and intellectual resources of the University.

Policy Responsibilities

It is the responsibility of the Board to set policy and the responsibility of the University administration to implement and carry out policy, which includes responsibility for the day-to-day operations of the University.

Support for the University

Regents are expected to be active supporters and advocates for the University and to take opportunities to help with fundraising, legislative advocacy, and other efforts on behalf of the University.

Board Responsibilities

The Board is expected to:

- A. Appoint, support, assess the performance of, and, if necessary, dismiss the President.
- B. Appoint the Executive Vice Presidents, Senior Vice Presidents, other Vice Presidents, University Auditor, Chancellors and Laboratory Directors upon recommendation of the President pursuant to Standing Order 100.2 (b).
- C. Approve and periodically review the appropriateness and consequences of all major institutional policies and programs, including addition or discontinuation of major programs and services consistent with the institution's mission and financial capacity.
- D. Ensure that good planning is done periodically, participate in the process as appropriate, assess the quality of the outcomes, and monitor progress against goals.
- E. Fulfill fiduciary responsibilities by approving and monitoring the annual budget, protecting the institution's financial and capital assets, ensuring responsible and prudent investment of funds, and ensuring a comprehensive compliance program and annual audit process.
- F. Ensure adequate resources and their effective management. This includes serving as advocates for institutional needs with external constituencies.
- G. Interpret the institution to the public and defend the institution, when necessary, from inappropriate intrusion.
- H. Ensure that the Board's reputation is exemplary in the course of meeting its responsibilities.
- I. Ensure that the institution serves as a good citizen in its relationships with other social, educational, and business enterprises through appropriate collaborations and partnerships.

J. Assess the Board's performance periodically through an appropriate process.

Additions shown by underscoring; deletions shown by strikethrough

SCHEDULE OF REPORTS TO THE REGENTS [Pursuant to Bylaw 16.8(a)] Amended July 2009	
	Month(s) Presented or Mailed to Regents
BOARD	
Report of the President Concerning University Activities and Individuals (the President's Report)	January March May July September November
COMMITTEE ON COMPENSATION	
Annual Report on Executive Compensation for Calendar Year ___: Incumbents in Certain Senior Management Positions	March
Annual Report on Compensated Outside Professional Activities for Calendar Year: Incumbents in Certain Senior Management Positions	March
Annual Report on Health Sciences Compensation Plan Participants' Compensation that Exceed the Reporting Threshold (<i>mbm*</i>)	November
COMMITTEE ON COMPENSATION and COMMITTEE ON LONG RANGE PLANNING	
Annual Accountability Sub-Report on Faculty Competitiveness	March
COMMITTEE ON COMPLIANCE AND AUDIT	
Annual Report on Internal Audit Plans	May
Annual Review of External Audit of Hastings College of the Law (<i>mbm*</i>)	March
Annual Report on Compliance	September

*mbm: Report is sent to all Regents as a mailing between meetings (mbm)

SCHEDULE OF REPORTS TO THE REGENTS [Pursuant to Bylaw 16.8(a)] Amended July 2009	
	Month(s) Presented or Mailed to Regents
Annual Report of External Auditors for the Year Ended June 30, ____	November
Annual Report on Internal Audit Activities	November
COMMITTEE ON EDUCATIONAL POLICY	
Quarterly Report on Private Support, Major Donors, and Namings and Endowed Chairs (<i>mbm*</i>)	February May August
Statistical Summary of Students and Staff (<i>mbm*</i>)	March
Annual Report on Student Financial Support (<i>mbm*</i>)	March
Annual Report on Undergraduate Admissions Requirements [effective 2013] (<i>mbm*</i>)	July
Annual Report on Proposals Seeking Research Funding from the Tobacco Industry (<i>mbm*</i>)	September
Annual Report on the University Private Support Program	November
Report on Comprehensive Review (<i>mbm*</i>)	December
COMMITTEE ON EDUCATIONAL POLICY and COMMITTEE ON FINANCE	
Annual Report on Self-Supporting Professional Degree Programs	November
COMMITTEE ON EDUCATIONAL POLICY and COMMITTEE ON LONG RANGE PLANNING	
Annual Accountability Sub-Report on Student Success	July
Annual Accountability Sub-Report on Diversity at the University of California	September

SCHEDULE OF REPORTS TO THE REGENTS [Pursuant to Bylaw 16.8(a)] Amended July 2009	
	Month(s) Presented or Mailed to Regents
Annual Accountability Sub-Report on the University of California Admissions and Enrollments	November
COMMITTEE ON FINANCE	
Annual Report on Risk Management (<i>mbm*</i>)	January
Annual Report on Use of Outside Counsel (<i>mbm*</i>)	January
Annual Report on Settlements and Separation Agreements	January
Annual Report on University Housing Assistance Programs (<i>mbm*</i>)	January
Annual Report on Expenditures of Associates to the President and Chancellors (<i>mbm*</i>)	September
University of California Financial Reports	November
Annual University of California Retirement Plan Actuarial Valuation Report	November
Annual Report on Debt Capital and External Finance Approvals (<i>mbm*</i>)	November
Annual Report on the University of California Technology Transfer Program (<i>mbm*</i>)	November
COMMITTEE ON FINANCE and COMMITTEE ON OVERSIGHT OF THE DEPARTMENT OF ENERGY LABORATORIES	
Annual Report on the Net Fee Income Received as Owner of a Limited Liability Company Managing a Department of Energy National Laboratory and Expenditures Made Therefrom	November

SCHEDULE OF REPORTS TO THE REGENTS [Pursuant to Bylaw 16.8(a)] Amended July 2009	
	Month(s) Presented or Mailed to Regents
COMMITTEE ON GROUNDS AND BUILDINGS	
Annual Report on Sustainable Practices	January
Annual Report on Chancellor's Residence and Other Capital Projects	September
Annual Report on Major Capital Projects Implementation (<i>mbm*</i>)	October
Budget for State Capital Improvements	November
University of California Five-Year Capital Program State Funds	November
Annual Report on Campus' Ten-Year Capital Financial Plans	November
COMMITTEE ON HEALTH SERVICES	
Activity and Financial Status Report on Hospitals and Clinics (<i>mbm*</i>)	January March May June July November
COMMITTEE ON HEALTH SERVICES and COMMITTEE ON LONG RANGE PLANNING	
Annual Accountability Sub-Report on Health Sciences	November
COMMITTEE ON INVESTMENTS	
Annual Endowment Investment Report	February
Annual Report on Divestment Policies	September
Annual Report of the Treasurer	November

*mbm: Report is sent to all Regents as a mailing between meetings (mbm)

SCHEDULE OF REPORTS TO THE REGENTS [Pursuant to Bylaw 16.8(a)] Amended July 2009	
	Month(s) Presented or Mailed to Regents
COMMITTEE ON LONG RANGE PLANNING	
Annual Accountability Sub-Report on University Private Support	January
Annual University of California Accountability Report	May
Annual Accountability Sub-Report on the Research Enterprise	November

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POLICY ON BOARD EDUCATION AND ASSESSMENT

Approved March 20, 2008

Amended July 17, 2008

(1) A formal orientation program be established for newly appointed Regents to assist them to perform their duties. The program shall provide information regarding the University's history and structure, the individual campuses, the broad range of policy issues expected to come before the Board as well as the recent history of issues before the Board, and the laws and policies that govern a Regent's fiduciary duties. Orientation sessions also shall be open to continuing Regents as appropriate.

(2) The Chair of the Committee on Governance, in consultation with the Chairman of the Board, assign continuing Regents to act as mentors on an ongoing basis for newly appointed Regents. In addition, Committee chairs shall consult with Regents newly appointed to their Committees to determine if a committee mentor is appropriate.

(3) The Board conduct periodic Board retreats to discuss governance and planning issues as needed. The Chairman of the Board, after consulting with the President and Board members, shall determine the timing, location, and agenda of the retreat. It is anticipated that the first retreat shall be conducted by the end of the third quarter of 2008.

(4) The Board evaluate Board performance through an appropriate process, determined by the Committee on Governance. The evaluation may be conducted in conjunction with a Board retreat or separately.

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OFFICE OF THE SECRETARY
 OF THE REGENTS
 1111 Franklin St., 12th Floor
 Oakland, CA 94607
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 fax (510) 987-9224

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T A S K F O R C E O N

UC Compensation,
Accountability,
and Transparency

REPORT
April 2006

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Preamble

The University of California is a public institution and a public trust. Its foundation and future depend on the continuing support of the people of California.

That support will only continue if the people—and their elected representatives—respect and trust those who lead the University system. That support will only continue if the people and their representatives are confident the University’s executive leaders, senior managers, and Regents are doing all they should to ensure the institution is managed effectively and responsibly.

Trust and confidence in the administrative leadership of the University have declined precipitously over the last six months as unsettling and troubling information became known about a number of compensation-related activities and practices.

More specifically, the decline was the result of disclosures by the state’s press and University officials that included cases of:

- Failure to release public compensation information in a clear and timely fashion.
- Inappropriate compensation, benefits, and perquisites for some executives in the University system.
- Inadequate attention to University compensation policies by leaders of the system and its campuses.
- Failure to consistently manage the institution’s practices involving compensation in accord with fundamental, common sense business and management practices.
- Failure to report certain compensation-related information to the Regents as required and failure to comply with policies established by the Regents.

Such inappropriate and improper incidents as these—and the breakdown of effective, responsible administration of compensation-related policies that allowed them to occur—are all the more troubling when the University’s history in this area is taken into account. In the early 1990s, in the wake of public controversy regarding executive compensation at the University, new policies were put in place by the Regents to prevent future problems in this area. At least some of the current problems would not have occurred if those policy reforms had been followed and enforced by the senior administrative leadership of the University system.

* * *

While the nature and scope of compensation-related problems in the University system will not be known conclusively until several current inquiries are completed, it is already clear that the current situation is wholly unacceptable. Necessary steps must be initiated immediately at all levels to remedy the problems. Outdated policies and practices must be replaced. Necessary and appropriate checks and balances must be put in place and rigorously adhered to.

University executives and the Regents share overall responsibility for University policies and adherence thereto. They share responsibility for wise stewardship of University resources and vigorous, vigilant oversight of their use.

“[UC] is a public institution and a public trust. Its foundation and future depend on the continuing support of the people of California.”

The recent disclosures and the underlying details of those and other cases reviewed by the Task Force on UC Compensation, Accountability, and Transparency lead it to conclude that, at least as regards compensation, neither the executives who lead the University nor the Regents who oversee it have done all they could or should to fulfill their respective or shared responsibilities. Moreover, the current compensation policies and practices of the University are insufficient to achieve the high standards of accountability required by the people of California.

“The current situation is wholly unacceptable. Necessary steps must be initiated immediately,...and appropriate checks and balances...put in place and rigorously adhered to.”

The Task Force—one of five official inquiries into compensation-related problems in the University system—was appointed in December 2005 by Gerald L. Parsky, chairman of the Regents of the University of California. Its charge was to conduct an independent review of the University’s policies and practices on compensation for faculty and senior managers and on the release of public information regarding compensation and related matters, and to recommend improvements.

The Task Force met 10 times by telephone and in person. It reviewed information, reports, and studies on the policies and practices of the University regarding compensation and the release of public information. It reviewed information on compensation at peer universities. Various University officials were interviewed. At the eighth meeting of the Task Force, its members heard from and questioned the senior executive of the University of California, President Robert C. Dynes. The Task Force was assisted in all its efforts by staff from Deloitte Consulting LLP. Helpful information and background was provided on request by the Office of the President of the University.

* * *

Before proceeding to present its findings and recommendations, the Task Force underscores emphatically the fact that no question has been raised about the academic leadership of the University of California system. Esteem for the University’s students and faculty—and their endeavors—is undiminished. Californians have a justifiably high view of the University as the capstone of public education in the state, as a global leader in education and scholarship, and as the site of cutting-edge research.

The University of California is one of the largest enterprises in the state. It is a vast, complex, and decentralized organization. More than 200,000 students and 120,000 faculty and staff are spread across 10 campuses, five medical centers, and three national laboratories. Its medical centers serve hundreds of thousands of patients and conduct more than three million outpatient visits annually.

If this public institution, so essential to California’s present and future, is to stay strong, it must be carefully managed and operated effectively and efficiently. In this regard, the University of California system should operate in much the same way any other large enterprise must in today’s intensely competitive and demanding environment.

But as the University pursues excellence in its future endeavors, it must not compromise its values or its fundamental missions, which are teaching, public service, and research. As necessary reforms are instituted, great care must be taken to ensure nothing is done that might undermine the quality, the confidence, or the high aspirations of the institution.

It is vitally important to the future of the University, and equally important to the future of the state and its people, that the University invest and spend what is required to maintain its position as one of the best university systems in the world. University compensation policies—and the total compensation packages it offers—must allow it to recruit and retain the faculty, administrators, and staff required to sustain its current standard of excellence.

The clear and unambiguous policy of the University must be to operate in a transparent manner and to make as much information as possible available to the public. Any information that is defined as public by statute or policy should be easily accessible, available in a reasonably short period following a request, and easily understandable to the average citizen. This is an essential component of restoring public confidence in the proper administration of the University system.

Going forward, the senior executives of the University must ensure that neither the appearance nor the reality develop yet again that the resources with which they are entrusted are used in ways that fall short of the public's reasonable expectations or the highest ethical and professional standards.

* * *

Although the charge of the Task Force was to make recommendations regarding the University's policies and practices on compensation and on the release of public information regarding compensation and related matters, the Task Force feels obliged to assert that its recommendations will only be effective if the circumstances leading to the problems it reviewed are adequately and appropriately addressed.

The Task Force believes that the leadership of the University—both its senior executives and the Regents—must accept full responsibility for the problems that occurred and take whatever actions are necessary to ensure full accountability both retrospectively and in the future. To be effective—and accepted by the public whose trust and support are essential—accountability must include consequences, and the consequences must be consequential.

*“[Full] accountability must include
consequences, and the consequences must be
consequential.”*

Summary of Findings and Recommendations

Disclosure and Transparency

1. The Task Force finds that the University of California has failed to honor, consistently and comprehensively, its obligation of public accountability. (p. 10)

RECOMMENDATION (p. 10)

The University should develop and broadly communicate a systemwide policy governing the disclosure of compensation information to the public. Such a disclosure policy must balance public access, personal privacy, and institutional competitiveness by defining what UC considers public versus private/protected information. UC must also provide ongoing training for its leaders and managers about its compensation disclosure policies and practices.

2. The Task Force finds that, over the years, UC and its leaders have failed repeatedly to inform the Regents about the total compensation of senior managers as required by the Regents' 1992 Principles for Review of Executive Compensation.¹ This failure has hindered the ability of the Regents to perform their responsibilities of governance and oversight in this key area and made it impossible to disclose such information to the public and the Legislature. (p. 11)

RECOMMENDATION (p. 11)

UC must ensure that all relevant information about compensation packages is provided to the Regents in advance of approval. Following Regents' approval, compensation information should be disclosed to the public in a timely manner.

3. The Task Force finds that UC's information systems are inadequate and unable to provide full and timely compensation information. (p. 12)

RECOMMENDATION (p. 12)

The University should invest in a modern, comprehensive, integrated human-resources information system that enables compensation data to be quickly examined and analyzed—at the campuses, medical centers, national laboratories, and systemwide—so that UC can meet its obligation of public accountability.

Because the new systems will require a major investment of time, money, and staffing, the University should phase in implementation, beginning first with systems that track senior management compensation.

4. The Task Force finds that UC lacks a system to ensure reporting of total compensation for executives in accordance with policy. (p. 13)

RECOMMENDATION (p. 14)

The University should establish clear protocols, procedures, and forms that allow for full and timely compensation reporting. These reports should include:

- Annual reports on base salaries for all UC employees.
- Annual reports on total compensation for UC executives.
- Annual reports on outside compensated professional activities.
- Compliance with annual reporting requirements to the Regents and the Legislature.
- Regular reviews of compensation policies and practices.
- Regular reports on compensation actions taken by the Regents at Board meetings as well as compensation actions taken between Board meetings.

5. The Task Force finds that current UC compensation policies are not well organized, not well understood, and difficult to access, either for internal or external use. (p. 14)

RECOMMENDATION (p. 14)

The University should improve public information and ensure that this information is readily available, including creating a new, easily accessible Web site for posting UC compensation information consistent with the other recommendations in this report.

6. The Task Force finds that the lack of consensus about what constitutes total compensation at the University of California exacerbates confusion about disclosure policies. (p. 15)

RECOMMENDATION (p. 15)

The Regents should reaffirm the definition of “total compensation” in the Regents’ 1992 Principles for Review of Executive Compensation and further clarify some missing elements to ensure consistency with accepted standards and practices.

7. The Task Force finds that no one in the UC Office of the President is responsible for responding, on a systemwide basis, to public requests for information. (p. 15)

RECOMMENDATION (p. 15)

The UC Office of the President should immediately assign to one person the Public Information Practices Coordinator role. This staff member should coordinate all Public Records Act (PRA) requests and develop clear protocols and timelines for processing these requests.

Governance and Accountability

1. **The Task Force finds that UC’s compliance with compensation policy is wholly inadequate and, in a number of cases, has failed or been circumvented.** (p. 16)

RECOMMENDATION (p. 17)

The Regents should examine specific aspects of the University’s compliance mechanisms, and if necessary, make changes or introduce new oversight mechanisms to ensure compliance. Specifically, the Regents’ Compensation Committee should have primary responsibility for setting compensation policies and providing necessary oversight to ensure compliance. In order for the Committee to exercise proper oversight, the President should designate a senior official from the Office of the President to serve as the administration’s liaison to the Regents’ Compensation Committee to implement the Committee’s mandate. The University should also establish a compensation oversight committee to work with the administrative liaison to the Regents to ensure that recommendations reflect the needs of the campuses and the accountability requirements of the UC system.

2. **The Task Force finds that the point of responsibility for compensation decision-making is inadequate, confusing, and poorly documented. The result is inadequate oversight.** (p. 17)

RECOMMENDATION (p. 17)

The Regents should clearly delineate the respective authority of the Regents, the President, and the chancellors in approving compensation decisions. They should also specify which decisions can be delegated, the conditions under which decisions can be delegated, and the review and approval process for delegated decisions. Compensation decisions should be regularly audited to ensure that they are being made and approved at the appropriate levels.

3. **The Task Force finds that UC grants so many exceptions to policy as to render the policies ineffective. Furthermore, these “exceptions” have become a convenient way to circumvent policies.** (p. 18)

RECOMMENDATION (p. 18)

Compensation policies should include specific guidance about when exceptions to policy are appropriate, who may grant them, and through which mechanisms. Exceptions should be subject to rigorous review and advance approval by the appropriate higher authority. To monitor compliance, all exceptions should be reported to a central office or individual.

4. The Task Force finds few, if any, consequences for violating policy. (p. 18)

RECOMMENDATION (p. 18)

Policies must include specific consequences for violations of compensation policy. Violations should be reported annually to the Regents' Compensation Committee and, where appropriate, sanctions should be issued.

5. The Task Force finds that UC's executive compensation problems are exacerbated by confusing, duplicative, overlapping, and sometimes conflicting compensation policies. (p. 19)

RECOMMENDATION (p. 19)

UC should immediately eliminate any conflicts in its compensation and related governance policies and clarify precisely which policies apply to different groups of employees.

6. The Task Force finds that the Regents' ability to provide oversight of compensation decisions has been weakened by the large number of compensation decisions they were expected to review. (p. 19)

RECOMMENDATION (p. 19)

The Task Force recommends that the Regents retain direct authority to approve compensation for the President, senior vice presidents, vice presidents, associate/assistant vice presidents, the university auditor, the university controller, principal officers of the Regents, chancellors and vice chancellors, national laboratory directors and deputy directors, medical center CEOs, professional school deans, and the top five most highly compensated positions at each UC location. This currently yields 264 individuals.

7. The Task Force finds that the University has an established whistleblower policy and should continue its education efforts regarding whistleblowers and ethical conduct. (p. 20)

RECOMMENDATION (p. 20)

UC leaders should vigorously promote standards of ethical conduct and UC should continue to broadly communicate its whistleblower and anti-retaliation policies.

Specific Policies and Practices

1. The Task Force finds that UC lacks clear guidelines on participation in externally compensated activities such as consulting or board service, which makes it impossible to ensure that outside activities do not interfere with the performance of UC duties. (p. 21)

RECOMMENDATION (p. 21)

The University should adopt specific limits on externally compensated activities to preclude conflicts of commitment on the part of senior executives. Based on leading best practices in governance from the public and private sectors, UC senior executives should be limited to serving on no more than three externally compensated boards.

2. The Task Force finds that existing UC policies governing senior managers' outside professional activities vary from those for faculty. This creates confusion for senior managers who also hold faculty appointments. (p. 22)

RECOMMENDATION (p. 22)

Policies governing outside professional activities and board service for senior managers who also hold faculty appointments should be revised so that the senior manager policy prevails.

3. The Task Force finds that 1) UC executives have not followed University policies in granting paid leaves to departing chancellors and others; and 2) the Regents have not been properly informed at the time of appointment about the terms related to these leaves. (p. 22)

RECOMMENDATION (p. 23)

The University should carefully review its policies on “administrative leaves in lieu of sabbaticals” for senior managers who also hold academic appointments, especially chancellors, and revisit the provision that these leaves be paid at the higher administrative salary rate rather than the faculty salary rate.

The University must also revisit the questionable practice of honoring sabbatical credits earned at other institutions to ensure it is in accordance with both the letter and the spirit of sabbatical policies. Furthermore, the Regents should eliminate the practice of making payments, at the commencement of employment, to compensate for forfeited sabbatical credits accrued at other institutions.

Competitive Compensation

1. **The Task Force finds that UC's compensation must be competitive if UC is to maintain its status as one of the great universities of the world.** (p. 24)
2. **The Task Force finds that UC has entered a period of intense competition and that it is currently at a competitive disadvantage relative to most of its peers in the top tier of universities.** (p. 25)

RECOMMENDATION (p. 25)

The Regents should implement, in a vigorous and sustained manner, their compensation philosophy emphasizing the importance of competitive compensation as a means to maintain the quality of academic, management, and staff personnel.

3. **The Task Force finds that the composition of UC's compensation program needs to be examined to assess its overall competitiveness.** (p. 26)

RECOMMENDATION (p. 26)

The Regents should examine the composition of UC compensation to determine if the balance between cash compensation versus health and retirement benefits is optimal for recruitment and retention purposes. The Regents should approach this examination with the understanding that the underlying issues may differ among employee groups and that some issues are subject to the collective bargaining process.

4. **The Task Force finds that regular benchmarking is the best way to ensure that compensation is competitive.** (p. 26)

RECOMMENDATION (p. 27)

The Regents should regularly benchmark the University's compensation against peer institutions to ensure that UC compensation remains competitive.

5. **The Task Force finds that the Regents' Compensation Committee is the lynchpin to ensure proper compensation accountability, oversight, and competitiveness.** (p. 27)

RECOMMENDATION (p. 27)

The Regents' Compensation Committee should identify and address as quickly as possible the key compensation challenges facing the University today, including the difficulties of competing for employees with better-funded institutions and the sometimes competing demands of market, merit, and equity.

Findings and Recommendations

Disclosure and Transparency

Full, proactive, and timely disclosure of information is central to the University of California's (UC) obligation to the people of California. Without full disclosure, the legitimacy of the University's role as a steward of public resources cannot be assured.

“The University of California has failed to honor, consistently and comprehensively, its obligation of public accountability.”

1. The Task Force finds that the University of California has failed to honor, consistently and comprehensively, its obligation of public accountability.

For the University to fulfill its responsibilities as a public trust, there must be an institutional commitment to public disclosure. This commitment must be codified in disclosure policies that are clearly and broadly communicated, both internally and externally. Such policies must be implemented with vigor and monitored with care. In doing so, UC has the opportunity to emerge as a national leader.

The Task Force recognizes that the disclosure of compensation information may undercut UC's competitive position in recruiting and retaining top faculty, administrators, and staff. There is also a potential conflict between the public's right to full information and employees' privacy rights. The Regents should address this challenge with policies that balance public access, personal privacy, and organizational competitiveness.

In developing its disclosure policies, the University must clearly define what information will be released to the public and what will remain private or protected to guard the personal privacy rights of its employees, retirees, and vendors/contractors. At present, there is widespread confusion and debate throughout the UC Office of the President as well as campuses, schools, and departments about the appropriate level of disclosure. UC will need to revise employment applications and vendor contracts, where applicable, to obtain informed consent about the release of such information.

RECOMMENDATION

The University should develop and broadly communicate a systemwide policy governing the disclosure of compensation information to the public. Such a disclosure policy must balance public access, personal privacy, and institutional competitiveness by defining what UC considers public versus private/protected information. UC must also provide ongoing training for its leaders and managers about its compensation disclosure policies and practices.

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2. The Task Force finds that, over the years, UC and its leaders have failed repeatedly to inform the Regents about the total compensation of senior managers as required by the Regents’ 1992 Principles for Review of Executive Compensation.² This failure has hindered the ability of the Regents to perform their responsibilities of governance and oversight in this key area and made it impossible to disclose such information to the public and the Legislature.

In 1992, following an earlier controversy over executive compensation, the Regents adopted clear and comprehensive policies with respect to full disclosure of executive compensation—both to the Regents and to the public. However, on numerous occasions, the Regents have been provided information that is incomplete and inadequate for decision-making purposes. *Such inadequate disclosure practices create the appearance that UC exalts secrecy over openness and the public’s right to information.* The Regents must have complete information about compensation to perform their responsibilities of governance and oversight. By extension, full disclosure to the public of compensation approved by the Regents is essential to public accountability.

RECOMMENDATION

UC must ensure that all relevant information about compensation packages is provided to the Regents in advance of approval. Following Regents’ approval, compensation information should be disclosed to the public in a timely manner.

*“Full, proactive, and timely disclosure
of information is central to the
University of California’s obligation
to the people of California.”*

3. The Task Force finds that UC’s information systems are inadequate and unable to provide full and timely compensation information.

UC can establish the best disclosure policies and practices but still fail to achieve them without a modern, integrated human-resources information system that enables comprehensive analysis, monitoring, and reporting of compensation information. UC’s antiquated and decentralized human-resources information systems are inadequate to the task.

The problem cannot be overstated. The UC Office of the President and each of the 10 campuses, five medical centers, and three national laboratories all maintain their own systems that do not “talk” to each other. This makes it difficult, time-consuming, and expensive—if not impossible—to provide clear, consistent, and accurate systemwide data. Poor systems also hinder the University’s ability to monitor policy compliance.

For example, the University’s payroll systems contain no universal coding for different types of compensation. Stipends may be coded as “stipends” on one campus and as “by-agreement payments” on another. Therefore, a search for “stipends” alone will yield incomplete data. Similarly, the category known as “by-agreement payments” includes stipends, incentive pay, clinical enterprise bonuses, and others. Verification of the purpose for these payments, as well as their compliance with policy, requires a manual search of campus paper files. In addition, inappropriate coding of compensation items could lead to improper inclusion for retirement and other benefit calculation purposes.

More fundamentally, some relevant information, such as employee salary history, initial appointment date, non-salary compensation, and exceptions to policy are not currently captured systematically. This hinders the ability to audit compliance and prevents quick responses to the media, legislators, and the public. It can take weeks or months to respond to even the most basic public information requests. Two examples help to demonstrate this:

- Eligibility for the senior management deferred compensation (formerly “severance”) program is based in part on an employee’s appointment date, which is not maintained in the payroll record. So staff wishing to audit this program for appropriateness of payment must manually match payment information in one file with appointment data contained in a separate file.
- When the media asks whether a particular element of an employee’s hiring package represents an exception to policy, UC Office of the President staff must first determine which policies apply and then gather information manually from paper files in multiple locations. They then must determine whether an exception to policy was made, and if so, whether it was properly justified. Finally, they must decide whether the exception was approved and disclosed properly. This lengthy process seriously undermines UC’s public accountability.

RECOMMENDATION

The University should invest in a modern, comprehensive, integrated human-resources information system that enables compensation data to be quickly examined and analyzed—at the campuses, medical centers, national laboratories, and systemwide—so that UC can meet its obligation of public accountability.

Because the new systems will require a major investment of time, money, and staffing, the University should phase in implementation, beginning first with systems that track senior management compensation.

“UC’s antiquated and decentralized human-resources information systems are inadequate.”

4. **The Task Force finds that UC lacks a system to ensure reporting of total compensation for executives in accordance with policy.**

This extends to policies requiring disclosure to the Regents when they are asked to approve initial senior-level appointments, to the media and the public once Regents' compensation actions are taken, and in annual reports to the Regents and the Legislature.

Annual reports. An example of the lack of checks and balances is the administration's failure to submit required annual reports on executive compensation and compensated corporate board service for two years in a row. The reason given was that the staff person responsible for keeping track of reporting deadlines had retired. This is inexcusable. The University must fulfill its obligation to inform the Regents annually. In the future, such annual reports should be certified by the senior-most official responsible for the report's content, and then posted online following receipt by the Regents. Furthermore, the annual report to the Regents on executive compensation should be revised to include all elements of total compensation, as required by the 1992 Regents' Principles for Review of Executive Compensation.

Annual online reporting of all base salaries. The Task Force believes the University should annually release base salaries for all UC employees, not just senior managers. In considering this matter, the Task Force weighed two issues: 1) whether to limit reports just to senior managers, and not to all employees; and 2) whether to extend reporting from base salary to total cash compensation.

In the end, the Task Force believes that on the first issue, the public interest in disclosure extends to faculty, staff, athletic coaches, and others. Many public universities (the University of Michigan, University of Washington, University of Illinois, to name a few) proactively release a comprehensive listing of base salaries for all employees.

On the second issue, the Task Force is concerned that reporting more than base salary for all employees will put the University at a further competitive disadvantage in retaining top faculty. There have been reports that the recent media disclosure of UC total cash compensation has allowed competitors to make better and more informed offers to faculty.

These same factors do not apply to senior administrators. Therefore, the Task Force believes that the University should report online total compensation for the 264 individuals whose compensation has been recommended for approval by the Regents (see Governance and Accountability Recommendation #6, p. 22).

“Annual Reports Checklist.” The Secretary to the Regents should establish an “Annual Reports Checklist” to ensure compliance with reporting requirements to the Regents and the Legislature.

Regular review of policies. The Regents' Compensation Committee should direct a periodic review of policies and practices in the area of compensation to ensure that they are simple, clear, comprehensible, and functional.

Uniform forms of disclosure. The Task Force spent a considerable amount of time on the issue of reporting and developed a sample compensation disclosure form to serve as a prototype for providing information for executive appointments and promotions (see Appendix, pp. 38-39). Such a form should be presented to the Regents along with other background material when they are asked to approve the hiring or promotion of an executive. A form like this should be used throughout the UC system, so that others who review and approve such appointments and promotions also receive the same information.

Immediately following the Regents' approval, the form could also be attached to the UC press release and posted on the Web, so that all elements of compensation are displayed in a clear, straightforward manner for the public and the media. Current practice in this area is inconsistent across the UC system. The UC Office of the President regularly reports base salary in its press releases on new appointments, whereas many campuses do not report even base salary. Consistency in disclosure across the UC system is paramount.

Regular and interim Board of Regents actions. The University also needs to refine its protocols to ensure timely Web-posting of compensation actions taken by the Regents at their regular board meetings.

With respect to actions taken between regular board meetings that can be approved by the President, the Chair of the Board of Regents, and the Chair of the Compensation Committee, the procedure is designed to provide flexibility in responding to urgent needs, including those involving recruitment and retention of key faculty and managers. These "interim board actions" are then reported to the full board at the next regularly scheduled meeting.

However, the lack of clear protocols has caused some high-profile items to "fall between the cracks"—leading to an impression that items are being hidden from the public and the full board.

The University needs to establish clear principles and procedures for determining what criteria need to be met (e.g., urgent retention cases that cannot wait for two months before the next board meeting) in order for a compensation package to be approved between regular board meetings.

RECOMMENDATION

The University should establish clear protocols, procedures, and forms that allow for full and timely compensation reporting. These reports should include:

- Annual reports on total compensation for UC executives.
- Annual reports on outside compensated professional activities.
- Compliance with annual reporting requirements to the Regents and the Legislature.
- Regular reviews of compensation policies and practices.
- Regular reports on compensation actions taken by the Regents at Board meetings as well as compensation actions taken between Board meetings.

“Confusion over policy has contributed to an impression that rules and regulations are being deliberately manipulated. [UC] must provide clear, simple, and easily accessible explanations of [its] compensation policies and practices.”

5. The Task Force finds that current UC compensation policies are not well organized, not well understood, and difficult to access, either for internal or external use.

Confusion over policy has contributed to an impression that rules and regulations are being deliberately manipulated. The University must provide clear, simple, and easily accessible explanations of UC's compensation policies and practices.

A step in the right direction would be the creation of a proactive, regularly maintained Web site that is designed to provide easy-to-find information and explanations regarding UC compensation and benefits.

RECOMMENDATION

The University should improve public information and ensure that this information is readily available, including creating a new, easily accessible Web site for posting UC compensation information consistent with the other recommendations in this report.

6. The Task Force finds that the lack of consensus about what constitutes total compensation at the University of California exacerbates confusion about disclosure policies.

The Regents' Principles for Review of Executive Compensation clearly define "total compensation" as "base salary, retirement and other benefits, perquisites, severance payments (except those made in connection with a dismissal or a litigation settlement), all forms of deferred compensation, supplemental retirement, all components of housing allowances or any other form of compensation applicable to the Officers of the University and the Principal Officers of the Regents..."³

The Task Force supports this definition and recommends that some specific elements of compensation receive further attention. For example, the Regents' Compensation Committee needs to decide whether "any other form of compensation" should include such items as: 1) performance-based incentive payments; 2) the value of University-provided housing for the President and the chancellors; 3) reimbursed expenses that are treated as taxable income; 4) the cost to UC of providing health insurance, net of employee contributions; 5) royalty payments from patents; or 6) the value of University-provided housing loans. In examining these and other elements, the Compensation Committee should consider leading standards and practices, such as those established by the federal Securities and Exchange Commission (SEC) for private corporations.

Policy statements should include glossaries of compensation terms that allow the Regents, employees, and the public to understand the meaning of terms such as "stipend," "relocation allowance," or "moving expenses."

RECOMMENDATION

The Regents should reaffirm the definition of "total compensation" in the Regents' 1992 Principles for Review of Executive Compensation and further clarify some missing elements to ensure consistency with accepted standards and practices.

7. The Task Force finds that no one in the UC Office of the President is responsible for responding, on a systemwide basis, to public requests for information.

The UC Office of the President has not dedicated a position to dealing with Public Records Act (PRA) requests. This has led to confusion and delays, and has contributed to the impression that UC is not responsive to public requests for information.

Campuses each have PRA coordinators; so should the Office of the President. The position should ensure consistency and coordination among the campus PRA coordinators on systemwide issues, and be responsible not only for responding to information requests, but also for addressing proactively any emerging issues that may raise public concerns.

RECOMMENDATION

The UC Office of the President should immediately assign to one person the Public Information Practices Coordinator role. This staff member should coordinate all Public Records Act (PRA) requests and develop clear protocols and timelines for processing these requests.

Governance and Accountability

The Task Force heard from Regents, administrators, and faculty about the University of California’s unique management challenges.

These challenges result from UC’s size and complexity, including the breadth of its operations—from teaching and research on its 10 campuses, to providing health care and medical education at its five medical centers, to conducting research at its three national laboratories. Further complicating UC governance is that it is formally shared among the Board of Regents, the administration, and the faculty, with considerable authority for day-to-day operations delegated from the UC Regents to the President and to the campus chancellors, medical center directors, and national laboratory directors.

“UC’s compliance with compensation policy is wholly inadequate and, in a number of cases, has failed or been circumvented.”

While the Task Force recognizes that innovation requires a certain amount of flexibility for senior managers at the Office of the President as well as at the campus level, the need for local flexibility cannot be allowed to excuse or mask a failure to comply with existing policies and rules. Moreover, the University draws much of its strength from the fact that it is a single organization. Consistency in the application, interpretation, and enforcement of policy is a fundamental requirement.

1. The Task Force finds that UC’s compliance with compensation policy is wholly inadequate and, in a number of cases, has failed or been circumvented.

The Office of the President has failed to comply with the Regents’ compensation policy and failed to enforce compliance by the campuses. This failure has undermined the University’s credibility and appropriately led to demands for greater accountability.

The Task Force believes that the recently created Regents’ Compensation Committee should have primary responsibility for setting compensation policies and providing necessary oversight to ensure compliance. The President should designate a senior official to serve as liaison to the Regents’ Compensation Committee, and establish a compensation oversight committee to support the senior official. Such a joint Regents-administrative oversight structure would improve the interpretation and enforcement of policy and accountability for compensation practices.

In addition, the Task Force believes the Regents have taken a good first step by announcing the creation of a new Compliance Officer position. The Task Force supports the idea of a position whose sole responsibility is to monitor policy compliance and whose independence is reinforced by a direct reporting line to the Board.

These oversight mechanisms should also help to address another problem: the failure to ensure that University policies and principles survive leadership changes in management and on the Board of Regents. Ignorance of policy cannot be used to excuse noncompliance with policy.

RECOMMENDATION

The Regents should examine specific aspects of the University's compliance mechanisms, and if necessary, make changes or introduce new oversight mechanisms to ensure compliance. Specifically, the Regents' Compensation Committee should have primary responsibility for setting compensation policies and providing necessary oversight to ensure compliance. In order for the Committee to exercise proper oversight, the President should designate a senior official from the Office of the President to serve as the administration's liaison to the Regents' Compensation Committee to implement the Committee's mandate. The University should also establish a compensation oversight committee to work with the administrative liaison to the Regents to ensure that recommendations reflect the needs of the campuses and the accountability requirements of the UC system.

2. The Task Force finds that the point of responsibility for compensation decision-making is inadequate, confusing, and poorly documented. The result is inadequate oversight.

The Task Force found, in many cases, that University policies are either silent or ambiguous about the respective responsibilities of the Regents, the President, and the chancellors with regard to compensation decisions; authorities that have been or should be delegated and to whom; and the controls in place to monitor and oversee this delegation and exercise of authority. In other cases, existing authority structures are unwieldy and ineffective.

This delegation is explained as decentralization that is necessary from an academic perspective: the essential work of the University, after all, is conducted not at the Office of the President, but at the campuses, the medical centers, and the national laboratories. Local decision-making is essential in an institution as vast as the University of California. While some degree of decentralization is appropriate, controls and guidelines must be in place to ensure that delegations are appropriate and fully documented and that all necessary approvals have been obtained.

RECOMMENDATION

The Regents should clearly delineate the respective authority of the Regents, the President, and the chancellors in approving compensation decisions. They should also specify which decisions can be delegated, the conditions under which decisions can be delegated, and the review and approval process for delegated decisions. Compensation decisions should be regularly audited to ensure that they are being made and approved at the appropriate levels.

3. **The Task Force finds that UC grants so many exceptions to policy as to render the policies ineffective. Furthermore, these “exceptions” have become a convenient way to circumvent policies.**

Most Regents’ policies do not specify a process for the granting of exceptions, yet the President and the chancellors regularly grant exceptions to policy. In some cases, exceptions have been documented, justified, and reported to the appropriate levels of authority. But in others, exceptions appear to have been made somewhat casually, without written justification or reporting to a higher level of authority. The Task Force understands that there are legitimate reasons to grant exceptions to compensation policies, particularly for recruitment or retention purposes. In these cases, the University should establish explicit exception mechanisms. On the other hand, some policies may be inviolate.

The University should make clear when “exceptions” may be granted and by whom. We observed numerous examples of apparent policy violations (for example, relocation allowances for individuals who appear to be ineligible for such allowances) that were explained away by UC administration not as violations but as “exceptions” to policy.

The Task Force is unimpressed by the distinctions. At minimum, a reasonable person might conclude that an “exception” to policy that is neither documented, justified, nor reported to and/or approved by higher levels of authority, constitutes a violation.

RECOMMENDATION

Compensation policies should include specific guidance about when exceptions to policy are appropriate, who may grant them, and through which mechanisms. Exceptions should be subject to rigorous review and advance approval by the appropriate higher authority. To monitor compliance, all exceptions should be reported to a central office or individual.

4. **The Task Force finds few, if any, consequences for violating policy.**

An even greater concern to the Task Force is that University policy fails to specify consequences for violations or to contain adequate enforcement mechanisms. At the least, the Task Force believes violations should have consequences, ranging from negative impacts on an employee’s performance review to outright dismissal.

RECOMMENDATION

Policies must include specific consequences for violations of compensation policy. Violations should be reported annually to the Regents’ Compensation Committee and, where appropriate, sanctions should be issued.

“There are legitimate reasons to grant exceptions...[but] an exception...that is neither documented, justified, [reported or approved] constitutes a violation.”

5. **The Task Force finds that UC’s executive compensation problems are exacerbated by confusing, duplicative, overlapping, and sometimes conflicting compensation policies.**

The Task Force identified weaknesses in UC’s compensation policies that limit the University’s ability to ensure compliance. Compensation policies are out of date. Many of them duplicate and/or conflict with one another. For example, various aspects of compensation are addressed—not always consistently—in Regents’ policy, in Presidential policy, and in faculty policies. The University should immediately revise its policies to eliminate conflicts among the various policies.

RECOMMENDATION

UC should immediately eliminate any conflicts in its compensation and related governance policies and clarify precisely which policies apply to different groups of employees.

“University policy fails to specify consequences for violations or to contain adequate enforcement mechanisms.”

6. **The Task Force finds that the Regents’ ability to provide oversight of compensation decisions has been weakened by the large number of compensation decisions they were expected to review.**

At present, the Regents approve compensation levels for more than 2,000 employees. The Regents should retain authority for approving compensation for the University’s most senior positions, but the number of these decisions cannot be so large as to preclude thoughtful and thorough consideration of each decision.

The Task Force believes that approval by the Regents of compensation for the top 32 positions—a Board action recently adopted on an interim basis—is too limited to allow for appropriate Board-level oversight and accountability. In weighing these factors, the Task Force believes that the Regents should approve compensation for the President, senior vice presidents, vice presidents, associate/assistant vice presidents, the university auditor, the university controller, principal officers of the Regents, chancellors and vice chancellors, national laboratory directors and deputy directors, medical center CEOs, professional school deans (who occupy highly visible positions and are often among the most highly compensated), and the top five most highly compensated positions at each UC location. This group comprises 264 individuals.

RECOMMENDATION

The Task Force recommends that the Regents retain direct authority to approve compensation for the President, senior vice presidents, vice presidents, associate/assistant vice presidents, the university auditor, the university controller, principal officers of the Regents, chancellors and vice chancellors, national laboratory directors and deputy directors, medical center CEOs, professional school deans, and the top five most highly compensated positions at each UC location. This group comprises 264 individuals.

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7. **The Task Force finds that the University has an established whistleblower policy and should continue its education efforts regarding whistleblowers and ethical conduct.**

The University's whistleblower and anti-retaliation policies are well-established and its processes provide multiple avenues (including an independently operated hotline) for reporting complaints and policy violations. It has recently created a new Statement of Ethical Values and Standards of Ethical Conduct and is currently developing a Web-based training program to disseminate the values and standards broadly.⁴ These programs are essential to the promotion of a culture of ethical behavior and an environment where employees feel free to report any concerns without fear of retribution.

However, few of the issues recently covered by the media surfaced from employees through University "hotlines" for reporting malfeasance.

RECOMMENDATION

UC leaders should vigorously promote standards of ethical conduct and UC should continue to broadly communicate its whistleblower and anti-retaliation policies.

Specific Policies and Practices

Time and again, the Task Force heard about compensation practices that did not comport with University compensation policies. Further, we found an absence of checks and balances to monitor practices for policy compliance.

The pressure on department chairs, deans, provosts, chancellors, and the President is intensifying to recruit and retain outstanding faculty, administrators, and staff in an increasingly competitive environment at a time when the University's financial resources are severely limited by constraints on state spending. In this environment, policies and guidelines must be carefully crafted, transparent, well-understood, and rigorously implemented.

The Task Force was unable to review all the University's compensation policies. But a few areas deserve immediate attention.

1. The Task Force finds that UC lacks clear guidelines on participation in externally compensated activities such as consulting or board service, which makes it impossible to ensure that outside activities do not interfere with the performance of UC duties.

It is common at UC and other universities for senior administrators and faculty to engage in a variety of outside professional activities, from serving on corporate boards or national commissions to consulting. The Task Force recognizes that these pursuits add value to the University and to the individual. In fact, existing UC Regents' policy encourages UC's senior executives to serve on non-profit boards and public commissions, as well as civic and community boards. These activities are often an extension of senior executives' academic work and university leadership; they provide opportunities for senior leaders to engage with and serve their local communities; they extend UC's influence, reach, and usefulness to national and international arenas; and they are consistent with the practices at other public and private universities.

Notwithstanding these benefits, the Task Force strongly believes that UC senior executives' service on *externally compensated* boards should be limited based on a standard of reasonableness. Such service must not represent a conflict of commitment, thereby detracting from one's University duties. Nor should it create a conflict of interest.

Furthermore, UC practices should be in accordance with leading standards prescribed for private corporations. Some recent cases at UC stand in stark contrast to emerging best practices in the private sector, as well as raise questions about conflict of commitment.

Institutional Shareholder Services (ISS), a leading company that advises investors on board issues, recently recommended that corporate executives should be limited to serving on three outside boards and CEOs should serve on no more than two.⁵ Moreover, in the three years since the Sarbanes-Oxley Act took effect, the national trend among CEOs seems to be going towards reducing board service, not increasing it.⁶

Further, UC leadership should be guided by common sense about whether paid service on multiple boards draws attention away from an individual's University responsibilities.

RECOMMENDATION

The University should adopt specific limits on externally compensated activities to preclude conflicts of commitment on the part of senior executives. Based on leading best practices in governance from the public and private sectors, UC senior executives should be limited to serving on no more than three externally compensated boards.

2. **The Task Force finds that existing UC policies governing senior managers’ outside professional activities vary from those for faculty. This creates confusion for senior managers who also hold faculty appointments.**

Policies governing outside professional activities for faculty and senior managers conflict in terms of how much time may be devoted to such activities, and approval and reporting requirements. This is a particular problem for senior managers who also hold faculty appointments, such as the chancellors. For these employees, both sets of conflicting policies currently apply.

The Task Force believes this must be remedied at once. For example, faculty policy permits full-time faculty members to engage in externally compensated activities for up to 39 days per academic year. But senior manager policy requires senior managers to use vacation time for these activities. The maximum vacation that any senior manager can accrue is 24 days per calendar year. So which policy prevails for a senior manager who is also a faculty member—24 days or 39 days? Again, the appearance is that UC executives can simply choose the most advantageous policy—or in this case, multiple policies—to follow.

RECOMMENDATION

Policies governing outside professional activities and board service for senior managers who also hold faculty appointments should be revised so that the senior manager policy prevails.

3. **The Task Force finds that 1) UC executives have not followed University policies in granting paid leaves to departing chancellors and others; and 2) the Regents have not been properly informed at the time of appointment about the terms related to these leaves.**

The practice at UC is for chancellors and other top administrators to take a one-year paid leave, at their administrative rate of pay, upon stepping down from office. Even though this type of leave—called an “administrative leave in lieu of sabbatical”—is allowed under policy, the arrangements and their terms have not been consistently disclosed to the Regents and the public, nor have these arrangements always adhered to the letter or the spirit of policy.

The Task Force is concerned about the following practices:

- The practice of “honoring” faculty sabbatical credits earned at a prior institution, as has been the case with some recent chancellor appointments;
- Paying year-long “administrative leaves in lieu of sabbatical” at the higher administrative salary rather than at the faculty salary;
- Waiving the requirement to return to performing faculty duties upon completion of the leave; and
- Making a lump-sum payment at the commencement of employment to compensate for forfeited sabbatical leave accrued at a prior institution. *The Task Force is not aware of such a practice at any other institution.*

In an attempt to understand the policy rationales for these actions, the Task Force reviewed Regents’ policies, presidential policies, and faculty policies. We found that policies

governing leaves for senior managers who also hold faculty appointments are particularly unclear and can be easily misinterpreted—and thus, easily manipulated to provide the desired outcome.

The Task Force finds this unacceptable because:

- The purpose of sabbatical leave is to enable faculty members, and senior managers returning to the faculty, to engage in extensive research and study, “to become more effective teachers and scholars and to enhance their services to the University.”⁷ *This is not accomplished unless there is a return to university service after the leave.*
- Sabbatical leaves are granted for the benefit of the University, not for the benefit of the individual. This argues against the recent practice of honoring sabbatical credits accrued at another institution. Even more dramatically, *it illustrates that making a lump-sum payment at the start of employment for sabbatical credits earned at a prior institution contradicts the sabbatical policy rationale.* Such a payment is clearly a benefit to the individual and not to the institution, and it does not comport with the return-to-university-service requirement.

The Task Force found no evidence that other institutions honor sabbatical credits earned at a prior institution when recruiting senior administrators.

Under policy, designated administrators with faculty appointments—chancellors, provosts, deans, and others—who have served at least five years in their administrative positions and have accrued the required faculty sabbatical leave credits are allowed to take “administrative leave in lieu of sabbatical,” immediately following their administrative service, up to a maximum of one year, *at their higher administrative salaries*, as long as they follow the return-to-UC-service requirement.

The Task Force supports the general policy of providing for a sabbatical-like leave for departing senior administrators to enable them to re-engage in academic pursuits, but it takes exception to the rate of pay. While the higher administrative rate of pay may be appropriate for deans on administrative leave in lieu of sabbatical (many of whom return to their dean positions following the leave), it is not appropriate for higher-level administrators. If the higher rate of pay is intended as a reward for serving as a senior manager or as a recruitment incentive at the time of hire, then the University should acknowledge this publicly and explicitly, and call it a signing bonus rather than granting it as a form of sabbatical leave.

RECOMMENDATION

The University should carefully review its policies on “administrative leaves in lieu of sabbaticals” for senior managers who also hold academic appointments, especially chancellors, and revisit the provision that these leaves be paid at the higher administrative salary rate rather than the faculty salary rate.

The University must also revisit the questionable practice of honoring sabbatical credits earned at other institutions to ensure it is in accordance with both the letter and the spirit of sabbatical policies. Furthermore, the Regents should eliminate the practice of making payments, at the commencement of employment, to compensate for forfeited sabbatical credits accrued at other institutions.

“Sabbatical leaves are granted for the benefit of the University, not for the benefit of the individual.”

Competitive Compensation

The State of California is, by most measures, a nation-state. Its economy is the eighth-largest in the world. Its population is projected to reach 50 million by 2025. California is world-renowned for its leadership in industries built on scientific research and technological innovation. This leadership results from California's longstanding commitment to higher education and scientific research.

Other states now recognize what California realized long ago: that economic prosperity and social well-being in a global knowledge-based economy require public investment in knowledge resources. That is, regions must create and sustain a highly educated and innovative work force, supported through policies and investments in cutting-edge technology, a knowledge infrastructure, and human capital development. Key in this effort is the presence of world-class research universities.

Throughout the past century, the people of California have benefited immensely from just such investments in building what many believe today to be the finest public university system in the world. Clearly the future of the state will depend even more on sustaining the global leadership of this remarkable institution, and this, in turn, will depend upon attracting and retaining top faculty talent in an ever more competitive global marketplace.

For UC to best serve the people of California, the Task Force believes that the University must remain in the top tier of the world's research universities. To maintain this level of distinction, it must be able to provide its faculty, administrators, and staff a level of compensation that is competitive with that offered by universities in its peer group.⁸

In November 2005, the UC Regents recognized this principle by adopting a statement of compensation philosophy to guide compensation decisions by the University:

The quality of academic, management, and staff personnel is essential to maintain the excellence of the University of California and its ability to contribute to the health and vitality of the State of California. UC's strategy is to attract and retain the highest-quality academic, managerial, and staff talent by offering competitive total remuneration.⁹

1. The Task Force finds that UC's compensation must be competitive if UC is to maintain its status as one of the great universities of the world.

It is vitally important to the future of the University, the state, and its people that the University invest and spend what is required to maintain its position as one of the best university systems in the world. University compensation policies and packages must allow UC to recruit and retain the faculty, administrators, and staff required to sustain its current standard of excellence.

“For UC to best serve the people of California,...the University must remain in the top tier of the world's research universities.”

2. The Task Force finds that UC has entered a period of intense competition and that it is currently at a competitive disadvantage relative to most of its peers in the top tier of universities.

The quality of a university is determined primarily by the ability of its faculty, administrators, and staff, all of whom are central to the University's success. The Task Force cannot emphasize strongly enough just how competitive the current faculty recruiting (and retention) environment has become, and how intense the pressure has become on department chairs, deans, and senior officers to maintain the quality of faculty, administrative, and staff leadership.

Leading public research universities face extraordinary challenges today when attracting the best employees. For example, the competition for top faculty among leading research universities has become what economists would call a "winner-take-all" market. In recruiting for all categories of employees, UC is at a distinct disadvantage relative to comparable private universities, which have seen their endowments soar after many years of extraordinary fundraising success and strong stock market performance. UC, by contrast, has suffered from shrinking state budgets that have restricted the University's resources and flexibility.

RECOMMENDATION

The Regents should implement, in a vigorous and sustained manner, their compensation philosophy emphasizing the importance of competitive compensation as a means to maintain the quality of academic, management, and staff personnel.

3. The Task Force finds that the composition of UC’s compensation program needs to be examined to assess its overall competitiveness.

Recent studies have confirmed that while total compensation programs at the University have eroded somewhat, they continue to be comparable to those of the leading public universities in America. However, the bias within UC compensation programs toward benefits rather than cash compensation has led to salaries that are no longer competitive for some employee groups, particularly when other factors such as the cost of living are considered.

The Task Force observed that the composition of UC’s compensation program is weighted toward health and retirement benefits. In every employee category, UC cash compensation is significantly below the median level of the comparison group. This can put UC at a disadvantage because, while UC’s retirement and health benefits are generous, many younger employees place a significantly greater value on cash compensation than on health or retirement benefits that will not be of value for several decades. The same is true for those employees who do not expect to remain employed by the University for their entire careers, and therefore may never realize the value of these benefits. For employees who join UC late in their careers, UC’s benefits package may be of little value because these employees will not serve long enough to earn significant benefits. Additionally, median compensation figures do not take into account the differences in California’s cost of living—and especially the very high housing costs in most of the regions where UC campuses are located—relative to the cost of living for comparable universities.

Because of the premium employees place on cash compensation (an area in which UC is well below market) and the exorbitant cost of housing in California, UC compensation, arguably, may be below market for many employees.

The Task Force understands that the issues to be examined in reviewing the balance of cash compensation versus health and retirement benefits are very complicated and may differ among employee groups. In addition, the Task Force recognizes that for represented employees, these important issues are subject to the collective bargaining process.

RECOMMENDATION

The Regents should examine the composition of UC compensation to determine if the balance between cash compensation versus health and retirement benefits is optimal for recruitment and retention purposes. The Regents should approach this examination with the understanding that the underlying issues may differ among employee groups and that some issues are subject to the collective bargaining process.

4. The Task Force finds that regular benchmarking is the best way to ensure that compensation is competitive.

The financial challenges faced by the University put it at a distinct competitive disadvantage in recruiting and retaining faculty, senior leaders, and staff. This challenge is exacerbated by the location of the UC campuses in some of the most expensive communities in America, characterized by unusually high housing costs (or considerable commuting distances from affordable housing).

The rising wealth of its peer universities and the escalating price of housing in UC campus communities make it essential that the University benchmark its compensation on a regular basis to ensure competitive compensation. Independent benchmarking data, like that used in the California Postsecondary Education Commission's and other independent market studies, is crucial to analyzing the competitiveness of UC compensation relative to its peers, particularly the top-tier public and private universities with which UC most often competes for talent.

RECOMMENDATION

The Regents should regularly benchmark the University's compensation against peer institutions to ensure that UC compensation remains competitive.

“Competitive compensation is critical to sustaining the University’s excellence and contributions to California.”

5. The Task Force finds that the Regents’ Compensation Committee is the lynchpin to ensure proper compensation accountability, oversight, and competitiveness.

Competitive compensation is critical to sustaining the University's excellence and contributions to California. In view of the intensely competitive marketplace for faculty, staff, and administrative leadership, the University must establish strong oversight of its compensation so that it does not find itself in this situation again. In January 2006, the Regents established a Compensation Committee to oversee these issues. The Task Force acknowledges and supports this move.

In the coming months and years, the Compensation Committee must address a number of critical questions. For example,

- How, in today's extremely competitive market and given its lower overall resources, compared especially with its private competitors, can the University compensate employees at the levels needed to maintain its quality and ensure its continued ability to contribute to the overall economic and social health of the State of California?
- How should the University's compensation practices best balance the need to respond to the demands of the market, recognize individual merit, and provide equity among employees?
- Are faculty and other salary scales out-of-step with today's market and, if so, has this misalignment contributed to increases in the number of “exceptions” to policy?
- Can and should compensation packages be simplified (for example, by combining one-time cash payments and special allowances for housing, transportation, etc. into a signing bonus at the time of appointment in cases where base pay is inappropriately low)?

RECOMMENDATION

The Regents' Compensation Committee should identify and address as quickly as possible the key compensation challenges facing the University today, including the difficulties of competing with better-funded institutions for employees and the sometimes competing demands of market, merit, and equity.

Conclusion

The Task Force believes it essential that the University's leadership carefully craft its compensation policies and practices, rigorously implement and enforce them, and hold senior leaders accountable.

UC needs a sea change in current policies and practices, as well as in a University culture long accustomed to using exceptions to work around inadequate or obsolete policies rather than establishing and ensuring compliance with clear guidelines. To institutionalize and sustain the Task Force's recommendations, the University must focus simultaneously on disclosure and transparency, governance and accountability, and competitive compensation.

The Task Force challenges the University to hold itself accountable to the public that supports it. In approaching the tasks laid out in this report—which will require several years to complete if done well—the University must articulate its goals publicly, embark on a process that is appropriately open, and communicate the results to the public, the Governor and the Legislature, internal stakeholders, and other interested parties. Anything short of this will further erode the public trust and confidence necessary to sustain the University.

Additionally, as a final step in this accountability process, ***the Task Force urges the Regents to authorize, in three years, a similarly constituted, independent body to review and report back on the University's progress in these areas.***

In closing, we state unequivocally that the Task Force takes this strong stance, expressed with a tone of urgency, *to protect the institution that is the crown jewel* in California's higher education system and the envy of every state as well as countless nations. The University of California is not only the finest public university in the world; *it is a vital positive force in the everyday lives of the people of California.* Indeed, the State of California has benefited enormously from its investment in the University.

It is clear that preserving the quality of the University of California requires compensation policies, programs, and practices capable of attracting and retaining top academic, administrative, and staff talent in an ever more competitive global marketplace. The leadership of the University must meet its obligations of stewardship for the considerable investments of past generations of Californians to build such a remarkable institution, while accepting the responsibilities to preserve and enhance this quality for future generations.

“UC needs a sea change in... University culture.... The Task Force takes this strong stance... to protect the institution that is the crown jewel in California's higher education system and the envy of every state...”

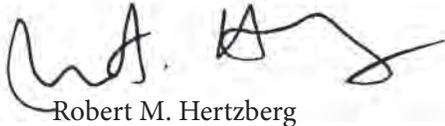
Letter from Task Force Members

We, the members of the Task Force on UC Compensation, Accountability, and Transparency, declare that this report represents our best understanding, analysis, and guidance concerning the issues around UC compensation policies and practices. The issues raised in this report are substantive and demand diligent efforts at reform and rectification. We intend our recommendations to inform these efforts.

The extensive deliberations of the Task Force were based on information provided by a number of internal and external sources. Our recommendations were arrived at after considering all available information and by rigorously examining the practices, policies, and processes that have guided past compensation decision-making. We acknowledge that issues could arise in the future that might well affect our conclusions and recommendations.

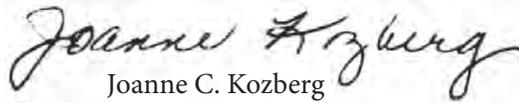
We hereby submit this report.

Sincerely,



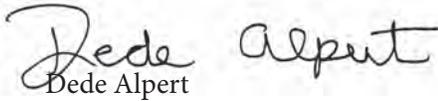
Robert M. Hertzberg

Co-Chair

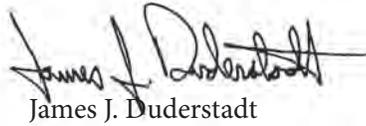


Joanne C. Kozberg

Co-Chair



Dede Alpert



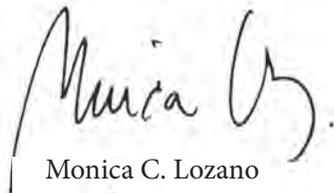
James J. Duderstadt



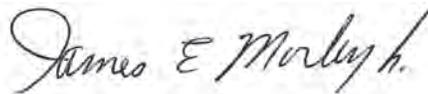
B. Kipling Hagopian



Jay T. Harris



Monica C. Lozano



James E. Morley, Jr.



John Oakley

Task Force Members

Robert M. Hertzberg, Co-Chair

Hertzberg is former Speaker of the California State Assembly from 2000-2002. He is currently a Partner at global law firm Mayer, Brown, Rowe & Maw, LLP.

Joanne C. Kozberg, Co-Chair

Kozberg is a Partner at California Strategies, LLC, a public affairs consulting firm. She formerly served as President and Chief Operating Officer of the Music Center of Los Angeles County and as California's Secretary of State and Consumer Services. She is also a member of the UC Board of Regents.

Dede Alpert

Alpert is the Special Advisor in Public Policy and Strategic Planning at Nielsen, Merksamer, Parrinello, Mueller & Naylor, LLP. She served in the California State Assembly for three terms and in the State Senate for two terms. In the Legislature, Alpert chaired the Education Committee of both houses in addition to many other committees.

James J. Duderstadt

Duderstadt is President Emeritus and University Professor of Science and Engineering at the University of Michigan, where he serves as Director of the Millennium Project and also directs the University's program in Science, Technology, and Public Policy. Duderstadt currently serves on or chairs several major national study commissions, including the Secretary of Education's Commission on the Future of Higher Education.

B. Kipling (Kip) Hagopian

Hagopian is Managing Partner of Apple Oaks Partners, LLC, a private investment company. In 1972, he co-founded Brentwood Associates, a high-technology venture capital and private equities firm. Hagopian currently serves on a number of corporate and non-profit boards, and has been a witness at several government hearings on tax policy, venture capital, and securities law.

Jay T. Harris

Harris is former Publisher of the San Jose Mercury News who now holds the Wallis Annenberg Chair in Journalism and Communication at the Annenberg School for Communication at the University of Southern California. Harris also serves as the founding director of The Center for the Study of Journalism and Democracy at USC.

Monica C. Lozano

Lozano is Publisher and Chief Executive Officer of La Opinión, the largest Spanish-language daily newspaper in the U.S., as well as Senior Vice President of ImpreMedia, LLC. She serves on numerous corporate and non-profit boards, and is a former member of the California State Board of Education. She is also a member of the UC Board of Regents.

James E. (Jay) Morley, Jr.

Morley has served for the past 10 years as President and CEO of the National Association of College and University Business Officers (NACUBO), a Washington, D.C.-based organization dedicated to higher education administrative and financial issues. He is former Senior Vice President at Cornell University.

John Oakley

Oakley is Chair of the UC systemwide Academic Senate, which represents the faculty in the shared governance of the University. Oakley is Professor of Law at the University of California, Davis, where he has been on the faculty since 1975. He is also an Associate in the Department of Philosophy at UC Davis.



THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

1111 Franklin Street, 12th Floor
Oakland, CA 94607-5200

December 19, 2005

Ms. Dede Alpert

Dear Ms. Alpert:

Thank you for agreeing to serve on the Task Force on University Compensation that will be co-chaired by former Speaker Robert Hertzberg and Regent Joanne Kozberg. I greatly appreciate your investment of personal time in helping the University address critical issues of public accountability and institutional competitiveness as expressed through our compensation program.

The Task Force shall advise the Chairman of The Regents on how to improve the University of California's policies and practices governing the compensation of faculty and senior managers and the disclosure of such compensation to The Regents and the public. In order to accomplish this task, please:

1. Review the current Regents' compensation policies and practices for faculty and senior managers, and recommend appropriate changes, and
2. Review current disclosure policies and practices, and recommend appropriate changes to achieve the University's responsibilities as a public institution while also protecting the personal privacy rights of University employees as required by the law.

In doing so, please review the compensation policies and practices, as well as disclosure policies and practices, for faculty and senior managers at other universities.

As you carry out these tasks, please bear in mind that California's economic competitiveness and social well being, as well as the educational attainment and upward social mobility of its residents, is dependent on the University's academic excellence and student access. This, in turn, is dependent in some measure on achieving The Regents' goal of providing competitive compensation for its faculty and administrative employees.

I ask that you report the recommendations of the Task Force to me by March 1, 2006, and provide The Regents with an interim report at the January Regents' meeting. The report of the Task Force will be released to the public.

My office will be in touch with you shortly to schedule the first meeting of the Task Force. In the meantime, please let me know if you have any questions.

Sincerely,

 A handwritten signature in cursive script that reads "Gerry L. Parsky".

Gerry L. Parsky
Chairman of The Regents

REGENTS' POLICIES

PRINCIPLES FOR REVIEW OF EXECUTIVE COMPENSATION

Approved November 19, 1993

WHEREAS, the Regents recognize that the people of California have entrusted them with the responsibility for careful stewardship of the resources of the University of California; and

WHEREAS, the Regents are committed to public access, awareness, knowledge, and understanding of The Regents' decision-making processes; and

WHEREAS, public concerns about the openness of Regents' deliberations with regard to executive compensation require a response;

NOW, THEREFORE, BE IT RESOLVED that the following principles shall obtain with regard to activities involving executive compensation:

1. Executive compensation shall be defined as including base salary, retirement and other benefits, perquisites, severance payments (except those made in connection with a dismissal or a litigation settlement), all forms of deferred compensation, supplemental retirement, all components of housing allowances or any other form of compensation applicable to the Officers of the University and the Principal Officers of The Regents, as currently and as may subsequently be described in the Bylaws and Standing Orders of The Regents. Pursuant to Standing Order 100.1, the Officers of the University are the President, Senior Vice Presidents, Vice Presidents, Associate Vice Presidents, Assistant Vice Presidents, University Auditor, University Controller, Chancellors, Vice Chancellors, Directors and Deputy Directors of Lawrence Berkeley Laboratory, the Lawrence Livermore National Laboratory, and the Los Alamos National Scientific Laboratory, and Directors of University hospitals. The Principal Officers of The Regents, as consistent with Bylaw 20, are the Secretary, Treasurer and General Counsel; and

2. Discussions of and actions on executive compensation programs shall occur in open session of the Subcommittee on Officers' Salaries and Administrative Funds and/or the Committee on Finance. All members of the Board shall be invited to attend such meetings. Final action regarding such programs shall occur in open session of the Board at a meeting held no sooner than twenty days following the meeting at which a recommendation requiring Board approval shall have been approved by the Committee on Finance. Information and background materials shall fully and clearly disclose all relevant and material facts related to executive compensation programs, such as annual reviews of market data and comparison studies that form the analytical bases for the establishment of executive compensation levels. These materials shall be provided in advance of the meeting in such a manner as to afford sufficient opportunity for review and understanding of the contents; and

3. Discussions concerning appointment, status of employment, performance evaluations and compensation of individual officers specifically discussed in conjunction with such evaluations, and actions with respect to recommendations concerning such matters, shall occur in closed sessions of the Subcommittee on Officers' Salaries and Administrative Funds and/or the Committee on Finance, consistent with the Education Code and the Bagley-Keene Open Meeting Act. All members of the Board shall be invited to attend. Final action regarding such matters shall occur in closed session of the Board, except that final action regarding compensation for the President, Vice Presidents, Chancellors, Treasurer, Associate Treasurer, General Counsel, and Secretary shall occur in open session of the Board as the last action item on the agenda. The specific proposal will be made available to members of the public in attendance, prior to the commencement of the open session at which it will be voted upon.

Agendas for such meetings shall be provided to all Regents in advance of the meeting and shall contain information and background materials sufficient to lead to a full understanding of the matters under discussion, including all compensation elements relevant to each individual officer under consideration.

The meeting notice for any meeting at which compensation for the Principal Officers of The Regents, President, Vice Presidents, Chancellors, and Associate Treasurer shall be voted upon shall so state; and

4. Any paid leave of absence for Officers of the University, as defined above, granted by the President pursuant to Standing Order 100.4(e), shall be reported to the Board by the President. Any paid leave of absence for the President, or for Principal Officers of The Regents, as defined above, shall be approved by The Regents; and

5. All actions affecting executive compensation and paid leaves of absence for Officers of the University and Principal Officers of The Regents shall be released to the public in a timely manner consistent with Bylaw 14.7. It is the intention of The Regents that administrative mechanisms to implement this provision shall be coordinated, strengthened and refined; and

6. Effective July 1, 1992, and thereafter, annual reports on the level of compensation and funding sources for Officers of the University and Principal Officers of The Regents shall be approved by The Regents and submitted by the President to the California Postsecondary Education Commission, the Joint Legislative Budget Committee, and the relevant policy and fiscal committees of the Legislature and the Governor.

SAMPLE APPOINTMENT COMPENSATION DISCLOSURE FORM

**COMPENSATION FOR THE APPOINTMENT OF [INDIVIDUAL'S NAME]
AS [POSITION] OF [UC LOCATION]**

As [position] of [UC location], [individual's name] will receive a salary of \$260,000. (This is the same salary as his predecessor, [predecessor's name], as well as the salary for [same/comparable position at different UC location]). [Individual's name] currently receives a salary of \$234,000, representing an increase of \$26,000.

[Individual's name] will continue to participate in the University of California Senior Management Group which includes the Senior Management Supplemental Benefit Plan in which he is eligible to receive 5 percent of his base salary in supplemental contribution to his retirement plan. [Individual's name] will also receive a car allowance of \$743 per month. This brings his total ongoing compensation to \$281,916. There is no one-time compensation (e.g., signing bonus, relocation, other one-time expenses).

<p>TOTAL EMPLOYEE COMPENSATION Including, if applicable, salary, perquisites, future benefits, other (DETAILS ATTACHED)</p>	<p>\$281,916</p>
<p>TOTAL ONE-TIME COMPENSATION Including relocation and other one-time expenses (DETAILS ATTACHED)</p>	<p>0</p>
<p>EXCEPTIONS TO POLICY <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</p>	<p>Explanation of exceptions N/A</p>

Signatory

Title

THESE PAGES WILL BE MADE AVAILABLE TO THE PUBLIC
UPON APPROVAL BY THE REGENTS

ITEM	ELIGIBILITY		AMOUNT	EXCEPTION TO POLICY
SALARY				
Base salary	YES		\$260,000 per year	NO
Additional salary (Stipend, etc.)		NO		-
PERQUISITES				
Leased automobile		NO		NO
Automobile allowance	YES		\$743 per month	NO
Senior Manager Life Insurance	YES		As a member of the SMG, this benefit is automatically included	NO
Executive Business Travel Insurance	YES		As a member of the SMG, this benefit is automatically included	NO
Mortgage Origination Program (MOP) loan		NO		-
Supplemental Home Loan Program (SHLP)		NO		-
University-provided housing		NO		-
Educational expenses		NO		-
ONE-TIME PAYMENTS				
Incentive and other performance payments		NO		-
If yes, specify type of payment: _____				-
Relocation allowance		NO		-
Temporary Housing Allowance		NO		-
Moving Expenses		NO		-
FUTURE BENEFITS				
Senior Manager Severance Pay Plan (SMSPP)	YES		Eligible to receive 5% of base salary in supplemental contribution to retirement plan, for total of \$18,485 per year at current base salary	NO
Post-retirement employment	YES			NO
Consultant/independent contractor compensation		NO		-
Sabbatical		NO		-
Specialized Health Benefit		NO		-
Specialized Retirement Benefit		NO		-
OTHER				
Administrative fund allocation		NO		-
Other				
If yes, specify type of payment: _____		NO		
STANDARD BENEFITS				
Incentive Award Opportunity	YES			<i>Note: These standard benefits are available to all University of California employees, and therefore not subject to Regents' approval.</i>
Health and welfare benefits (including medical, dental, vision; life and basic disability insurance)	YES			
Legal coverage, supplemental life/disability insurance, AD&D, healthcare and dependent care pretax reimbursement accounts	YES			
Retirement benefits from UCRP	YES			
Vacation accrual based on length of service (18-24 days)	YES			
Sick leave	YES			
13 paid holidays a year	YES			
Two-thirds reduction in registration and educational fees (for employees who qualify for admission to UC)	YES			

Task Force on Compensation, Accountability & Transparency

Research Documents prepared by Deloitte Consulting LLP
Summary as of April 5, 2006

Doc. #	Description	Page
1.	Compensation Disclosure and Oversight of Positions.....	35
2.	Observations Regarding Proposed Compensation Disclosure Form...	37
3.	Overview of Outside Board Positions.....	41
4.	Overview of Sabbatical or Academic Leave Policies.....	43
5.	HR Benchmarking Assessment.....	45

Prepared by Deloitte Consulting, LLP

**UC Board of Regents
Compensation Disclosure and Oversight of Positions
4/4/06**

The UC Board of Regents needs to define the scope of positions for oversight and disclosure. This group should include the current 32 positions plus some combination of the highest position levels/titles and the highest compensated at each campus, medical center and laboratory. The goal is to increase the size of the group to a reasonable level to ensure comprehensive review and oversight by The Board.

Deloitte Consulting LLP was asked to review payroll data and UC organizational structure to identify key positions for Regental oversight. All data sources were provided by UCOP. Each individual is counted only one time, although they may qualify for more than one category (e.g., a Chancellor would fall into categories A, B, and C but is only counted once in Category A).

The breakdown for UC positions by title and pay level is as follows:

(Note: the numbers do not reflect any overlap – see Definitions for details)

Categories	Total
A. Top 32	32
B. Top 5 Highest Paid at each Campus, Medical Center and Laboratory	52
C. Top 5 Campus Positions	56
D. Additional Vice Chancellors	27
E. Top 5 Medical Center Positions	25
F. Top 3 Laboratory Positions	6
G. Professional School Deans	22
H. Senior Management (SMG) Group Deans	67

Suggested Combinations

The following outlines the suggested combinations of employees to balance The Regents' responsibility of compensation oversight with a reasonable number of positions.

Combinations	Total
1. Top 32 + Top 5 Highest Paid + Top Campus, Medical Center and Laboratory Positions (A+B+C+E+F)	171
2. Top 32 + Top 5 Highest Paid + Top Campus, Medical Center and Laboratory Positions + Additional Vice Chancellors (A+B+C+D+E+F)	197
3. Top 32 + Top 5 Highest Paid + Top Campus, Medical Center and Laboratory Positions + All Vice Chancellors + Professional School Deans (A+B+C+D+E+F+G)	264
4. Top 32 + Top 5 Highest Paid + Top Campus, Medical Center and Laboratory Positions + All Vice Chancellors + Professional School Deans + All SMG Deans (A+B+C+D+E+F+G+H)	286

Deloitte Recommendation:

Deloitte recommends adopting either Combination #1 or #2. These groups allow The Regents to maintain a reasonable number of employees for effective and comprehensive review and oversight. Combination #2 includes all Vice Chancellors.

*Alternatively, if The Regents want to limit the number of highest paid positions to the Top 3 by location, this would reduce the total number of positions to: **Combination #1 = 142; Combination #2 = 168**. This total would be consistent with the 122 to 150 position range previously discussed by the Task Force.*

Definitions	Total
A. Top 32 – The Top 32 University Positions as defined by The Board of Regents	32
B. Top 5 Highest Paid – The top 5 highest paid positions at each location, defined by total cash compensation. This is net of Chancellors, Laboratory Directors, and Medical Center Directors already included in the Top 32.	52
C. Top 5 Campus Positions – The top 5 positions by title at each campus by title plus any special positions identified by The Regents. (E.g., Certain Vice Chancellors with administrative or fund-raising responsibilities.) This is net of any positions already included in the Top 32 and Top 5 Highest Paid.	56
D. Additional Vice Chancellors – All Vice Chancellors, net of those included in the Top 5 Campus Positions.	27
E. Top 5 Medical Center Positions – The top 5 positions by title at each medical center. This is net of any positions already included in the Top 32 and Top 5 Highest Paid.	25
F. Top 3 Laboratory Positions – The top 3 positions by title at each Laboratory. This is net of any positions already included in the Top 32 and Top 5 Highest Paid.	6
G. Professional School Deans – Deans of certain professional schools such as the Haas School of Business, not included in any other categories	22
H. Senior Management (SMG) Group Deans – as defined by UCOP	67

Prepared by Deloitte Consulting, LLP
4/4/2006

University of California **Observations Regarding Proposed Compensation Disclosure Form**

Proposed Disclosure Form

The University of California has proposed a format for reporting an individual's compensation to the Board of Regents, and ultimately the public, which is attached. Currently, there is no reporting format in place that captures all the elements of compensation and/or plan participation. The proposed reporting form is clearly a step in the right direction, as it consolidates all elements of pay and plan participation in one place.

Observations

Deloitte Consulting LLP has reviewed the form and has a number of recommendations.

1. Leading Disclosure Practices – New SEC Rules
2. Leading Disclosure Practices – Other Universities
3. Proposed Disclosure Compared to Leading Practices
4. Disclosure of Expense Reimbursement for Senior Management

1. Leading Disclosure Practices – New SEC Rules

The Securities and Exchange Commission (SEC) recently proposed a number of changes to the reporting of executive compensation after more than a year of studying how to improve shareholders and other interested parties' understanding of the company's compensation practices. The most significant proposals are discussed below:

- **Compensation Discussion and Analysis (CD&A):** Companies will now be required to disclose, in narrative form, a detailed explanation of the company's pay practices. The SEC will require disclosure of the pay philosophy, the reasons for different compensation programs, the peer group (or groups) used to establish pay levels, performance measures considered in paying incentives or setting compensation levels, etc. Essentially, the SEC wants an explanation of "How Much", "How Provided" and "Why." The new CD&A replaces the current compensation committee report, which has become a boilerplate discussion that conveys very little insight into the company's pay decisions.
- **Summary Compensation Table (SCT):** The SEC indicates in the proposing release that there has been significant demand from investors to have "one number" for total compensation. Thus, the new SCT includes a "Total Compensation" Column, and perhaps more importantly, requires the inclusion of several elements of compensation that were either not disclosed or were not monetized. For example, Total Compensation will now include the grant date value of stock options, interest on deferred compensation, the increase in the present value of an executive's defined benefit pension plan, perquisites if such amounts exceed \$ 10,000 in the aggregate (previously, amounts below 10% of base salary or \$ 50,000 did not need to be disclosed) and dividends on restricted stock.

- **Wealth Accumulation Tables:** The SEC has also proposed disclosure of amounts held at year-end or potentially payable to executives in the future. As proposed, deferred compensation balances, the present value of pension plans at retirement and severance payments upon termination of employment must all be disclosed under the new SEC reporting requirements.

2. Leading Disclosure Practices – Other Universities

We have also reviewed the disclosure policies and practices at 4 private universities and 7 public universities.

- **Private Universities:** Based on our research, we found that most private universities have designated compensation committees. These committees disclose compensation information based on existing requirements based on their Form 990 (non-profit) filing requirements. However, the Grassley Report goes beyond the Form 990 disclosures and recommends that the IRS “...revise the Forms 990 and 990-PF to require that a charitable organization disclose the full compensation paid to its chief executive officer and other officers.”¹ The goal is to provide greater transparency and to identify the practices of organizations that may be providing excessive compensation.
- **Public Universities:** Public universities who are required to comply with a state public disclosure act requirements primarily disclose and publish base salary information once a year. Most public universities do not have a specifically designated compensation committee of the board who is responsible for reporting or disclosing compensation information. Compensation reporting and disclosure is typically one of the other functions performed by the audit committee or full board.

Only one of the comparator universities disclosed compensation information proactively in a press release. Overall, among the universities reviewed, we did not identify any proactive compensation disclosure approaches that we would consider a leading practice.

3. Proposed Disclosure Compared to Leading Practices

We have the following observations regarding how the proposed disclosure format compares to “Leading Practices”:

- **Competitive reference point(s):** The proposed reporting form has a column where the Regent’s will be informed if the base salary is an “Exception to Policy.” We assume a “No” response means the proposed salary is within the salary band assigned to that position.

We examined historical Senior Management Advisory Committee meeting and staff notes, Presidential salary actions and approval authority requests. It appears that the University conducts competitive market comparisons when recruiting/appointing specific executive positions or when facing an executive

¹ Panel on the Nonprofit Sector, Strengthening Transparency, Governance, Accountability of Charitable Organizations, a final report to Congress and the Nonprofit Sector, June 2005, p. 67.

retention situation. It is less clear if the practice of reviewing comparative market data occurs on a regular basis. We believe it is a leading practice for the Regents (or whoever has the responsibility for approving pay) to review a comparison of the proposed pay level to market data on an annual basis. The market comparison should benchmark to the 25th, 50th and 75th percentile data. This data is essential for the Regents to exercise their fiduciary responsibility to monitor compensation levels. [It is possible this data is currently being provided to the Regents, and we believe it would be a very helpful addendum to the disclosure form. We do not recommend, however, that this addendum be disclosed to the public, only that it be part of the internal reporting package.]

- **Multi-year data:** The current reporting format focuses on one year of data. Due to the detailed nature of this information, we understand the desire to streamline the disclosure form. Based on our experience, however, we believe it is exceedingly important that the Regents have a detailed compensation history before approving a specific pay package. Thus, we would recommend, if it is not currently being provided to the Regents, that they receive at least three years of historical salary, incentive and deferred compensation data as part of the compensation approval process. This historical information would be another addendum to the proposed disclosure form.
- **Monetization of all material amounts:** We believe that the current disclosure form would be greatly enhanced if the incentive award opportunity and increase in retirement benefits from UCRP were monetized and disclosed. We would also recommend that all other material amounts be monetized and shown on the form. We note that the proposed disclosure form reports a monthly car allowance of \$743, which we believe is appropriate. However, it is very possible that the increase in the present value of the retirement plan as well as other arrangements could be significantly more valuable than the car allowance, and such amounts should be disclosed.
- **Total Compensation:** We also recommend that a Total Compensation line be added to the bottom of the Detailed Form. This will provide a comparable point-of-reference that facilitates compensation discussions. The proposed SEC rules would define “total compensation” to include salary, bonus, incentive plan compensation and all other compensation. “All other compensation” includes earnings on deferred compensation, increases in pension value, perquisites and other personal benefits, amounts paid or accrued in connection with any termination of employment, annual contributions or other allocations to vested and unvested defined contribution plans, the dollar value of any insurance premiums paid with respect to life insurance for the benefit of an executive, and “gross-ups” or other amounts reimbursed during the fiscal year for the payment of taxes.²
- **Wealth Accumulation:** We recommend that the end of year deferred compensation balance, present value of the UCRP retirement benefit and potential payments under any severance arrangement also be disclosed to the

² Securities and Exchange Commission, 17 CFR PARTS 228, 229, 239, 240, 245, 249 AND 274, RELEASE NOS. 33-8655; 34-53185; IC-27218; FILE NO. S7-03-06, RIN 3235-AI80, Proposed Changes to Disclosure Requirements Concerning Executive Compensation and Related Party disclosure, pages. 26 - 52

Regents. These amounts represent significant obligations of the University, thus it is important that the Regents be fully informed about the value or potential value of these arrangements. Severance, in particular, has been an area of intense media scrutiny, and such arrangements need to be fully disclosed, internally as well as externally.

4. Disclosure of Reimbursable Expenses for Senior Management

First, the criteria for determining whether expenses are reimbursable are typically covered under Travel and Expense (T&E) policies.

Whether reimbursable expenses should be disclosed is a separate issue. We recommend that reimbursable expenses should be disclosed if they are treated as taxable income to a recipient senior manager/executive.

Reimbursable expenses not considered “ordinary and necessary” business expenses are deemed a perquisite or of personal benefit to the individual. This applies without regard to whether the expense may be provided for a business reason or for the convenience of UC, unless it is generally available on a non-discriminatory basis to ALL UC employees.

Additionally, reimbursable expenses not integrally and directly related to performing one’s job are typically treated as taxable income to the senior manager/executive. Applying this test, any reimbursed expenses treated as taxable income should be disclosed. Examples would include reimbursed housing and other living expenses (including relocation assistance), club memberships not used exclusively for business and entertainment purposes, personal financial or tax advice, personal travel using vehicles owned or leased by UC, personal use of other property owned or leased by UC, etc.³

Further, we recommend the disclosure of non-taxable reimbursable expenses that exceed a threshold to be set forth in a policy statement to be reviewed on a regular basis by the to-be-appointed Compensation Disclosure Officer.

³ Securities and Exchange Commission, 17 CFR PARTS 228, 229, 239, 240, 245, 249 AND 274, RELEASE NOS. 33-8655; 34-53185; IC-27218; FILE NO. S7-03-06, RIN 3235-AI80, Proposed Changes to Disclosure Requirements Concerning Executive Compensation and Related Party disclosure, pages. 46 - 48

Summary Recommendations

- Monetize material items, such as incentive award opportunity and increase in retirement benefits from UCRP
- Add a Total Compensation line to bottom of detailed form
- Include severance benefits, bringing awareness to their existence and potential amount
- Disclose other wealth accumulation data such as pension present value
- Use two addendums when approving pay – multi-year data and competitive data
- Disclose all reimbursed expenses that are treated as taxable income and disclose non-taxable reimbursable expenses that exceed a threshold.

Prepared by Deloitte Consulting, LLP
3/21/2006

Overview of Outside Board Positions

2/20/06

University of California Policy Summary

1. The University of California has two policies regarding outside board service for administrators and one policy for faculty:
 - a. **Administrators** - *Regental Policy*: Outside Professional Activities for the President, Principal Officers of The Regents and Officers of The Regents (3/17/1995) and *Presidential Policy*: Guidelines for the Policy on Outside Professional Activities for University Officers & Designated Staff (9/1/2000). Both policies stipulate that any outside activities should benefit the state, nation and public at large. They also state the following:
 - i. Any activities undertaken by the Principal Officers of Board, Officers of the Regents, the President, or Senior Managers must be approved in writing by a direct supervisor, or in the case of The Board of Regents the Chairman.
 - ii. University of California does not place any limitations on compensation or income that can be earned by the executive level group. However, they require all compensated and uncompensated participation to be reported and approved annually by the appropriate level.
 - iii. An individual must use vacation hours, if their outside activities interrupt their regular work time.
 - b. **Faculty** - Academic Personnel Manual Section 025 (APM-025) (7/1/2001) provides a mechanism to ensure activities outside the University do not interfere with fulfillment of faculty responsibilities. It states the following:
 - i. Serving on the board of directors of an outside entity is categorized as an activity that is unlikely to raise issues of conflict of commitment. It is "ordinarily accepted as a regularly performed compensated outside professional activities." Consequently, they are usually allowed without prior approval.
 - ii. Outside board service is allowed for a maximum of 39 days during an academic year appointment during the fall and spring semesters, and 48 days during a full year appointment. No limit is placed on outside service during summer months for academic year appointments or during vacation leave.
2. Designated officers of the University are required to file annually a Statement of Economic Interests (Form 700 or Form 700-U) in accordance with reporting requirements of the Political Reform Act and the Fair Political Practices Commission. As part of this report, they must disclose income from service on outside boards.

Comparator Universities (7 responses to-date)***Public Universities***

1. At most public universities, no formal policies exist regarding outside Board positions; however, most rely on Conflict of Interest disclosures to identify any outside activities.
2. Several public universities rely on the approval process (by supervisor) with respect to outside activities. For example, there are no restrictions to the number of positions, however, must be disclosed and approved by the appropriate supervisor.
3. For some public universities, there are no restrictions or approval required for Board of Regents. For non-Board employees, supervisor approval is required.
4. One public university does not allow officers to serve on compensated Boards.
5. State law requires one public university to impose an earnings cap if individuals earn outside income within another state government agency.
6. One public university requires compensation received for outside service during normal work hours must be remitted back to the university, unless the individual is on vacation or leave.

Private Universities

1. Among private universities, there are limitations based on time commitment.
2. Similar to public universities, outside Board positions must be disclosed and approved by the supervisor for most employees and are subject to Conflict of Interest policies.
3. One private university will not allow individuals to spend more than 20% of their time to outside interests. This university also establishes some constraint on the amount of outside income that can be earned.
4. Another private university focuses on the level of commitment required. An individual's involvement in outside activities is determined on a case-by-case basis. No restrictions for Board members on number of activities or outside income.

External Resources

1. The Institutional Shareholder Services' report stated that executives should be limited to 3 outside Board positions. However, if the individual is a CEO, they should be limited to 2 outside Boards.
2. The Conference Board survey, Director Compensation and Board Practices in 2005, indicated that 26% of 425 companies in the manufacturing, financial and service industries place limitations on outside directorships.
3. Other research indicates that several large organizations, such as Sears and Allied Capital, limit the number of outside directorships; these can range from 2 to 5.
4. Wall Street Journal reported that in 1997 S&P 500 CEOs served on an average of 2 boards. Today, that number has dropped to less than one (0.9%).

Prepared by Deloitte Consulting, LLP
2/20/2006

University of California
Overview of Sabbatical or Academic Leave Policies

3/27/06

University of California Policy Summary

1. UC allows Senior Managers, who hold academic titles that enable them to qualify for accrual of sabbatical leave credit, continue to accrue credit while serving in an administrative role. Sabbatical leave taken by an eligible Senior Manager must be approved by the Chancellor. Professional leave may be approved for Senior Managers who accrue sabbatical credit only in lieu of taking sabbatical leave.
2. Sabbatical compensation shall be based on the administrative salary of the Senior Manager unless some of the sabbatical leave credit was accrued as an academic appointee, in which case an appropriate fraction of the sabbatical compensation shall be based on the salary of the academic appointment. Currently, there is no official process or policy which governs approval of exceptions.

Comparator Universities (7 responses to-date)

As of March 27, 2006, we received responses from 7 universities, however not all 7 universities responded to all questions. The responses by topic are as follows:

- a. *General*: Public Universities - 3 Responses; Private Universities - 2 Responses
- b. *Sabbatical Pay Determination for Faculty to Administrative Role*: Public Universities - 3 Responses; Private Universities - 2 Responses
- c. *Payment of Sabbatical Accrued at Other Universities*: Public Universities- 1 response; Private Universities - 3 Responses

Public Universities

1. ***General***
 - a. At most public universities, formal policies regarding sabbatical leaves for administrators do not exist.
 - b. At one public university the sabbatical or academic leave policy applies to all faculty members who have at least 7 years of service with the University. The leave must be approved / recommended by: the faculty member's department chair, the dean, the President and the Regents of the University.
2. ***Sabbatical Pay Determination for Faculty to Administrative Role***
 - a. One public university does not provide sabbaticals to administrators. However, if an administrator is transitioning from an administrative role to a faculty role, he or she will be allowed one academic semester to prepare to teach. Additionally, the employee will be required to submit a report of work accomplished during their transition period.
 - b. Another public university removes all sabbatical privileges once a faculty member assumes an administrative role.

3. Payment of Sabbatical Accrued at Other Universities –

- a. One public university does not pay sabbaticals that were accrued at other institutions. Other public university respondents did not respond to this question.

Private Universities**1. General**

- a. Several private universities do not have official policies regarding sabbaticals and academic leaves.
- b. One private university allows individual to negotiate the terms of their sabbatical. However, most administrators with tenured faculty appointments, who have served a full term of at least 5 years, and are returning to faculty, will receive a one-year leave.

2. Sabbatical Pay Determination for Faculty to Administrative Role

- a. One private university offers administrative stipends for employees that transfer from a faculty to an administrative role with approval from the Executive Compensation Committee.
- b. Another private university considers all tenured employees faculty, even if he/she takes on an administrative role. By adding an administrative component to the faculty role, the employee will receive an administrative supplement on top of their faculty salary. The administrative supplement vests 10% per year. Therefore if an employee works in an administrative role for 10 years, and then decides to return to faculty, he/she will take the entire (100%) of the administrative supplement with them and will be paid at their vested salary rate. This salary rate will also apply to any sabbatical or paid leave.

3. Payment of Sabbatical Accrued at Other Universities

- a. Two private universities do not allow the payment of a sabbatical accrued at another academic institution, nor would they offer a sign-on bonus to compensate for accrued sabbaticals.
- b. One private university indicated that they have seen credit given toward a sabbatical earned at another institution. This happened in few cases when a recruit was on leave at the time of hire, and the new institution paid the “penalty” owed since the employee was not planning to return post leave. This university has offered credit toward eligibility for their dependent tuition plan, but never cash.
- c. Another private university does not have a formal sabbatical policy or a policy to buy-out sabbaticals.

Prepared by Deloitte Consulting, LLP

3/27/2006

HR Benchmarking Assessment

Deloitte Consulting Study – August 2005

Summary of HR Technology Findings

2/28/06

Background: Deloitte Consulting LLP was engaged to conduct a system-wide assessment of HR activities including Office of the President (UC OP), 10 campuses, 5 medical centers and 3 national laboratories. This included interviews of Chief Human Resource Officers (CHROs) at 19 locations, UC OP interviews and external benchmarking. HR activities for Academic Affairs were excluded.

Summary of Key Findings: HR Organization and Technology

- UC operates under a highly decentralized model. Certain functions are handled centrally at UC OP (labor relations, benefits, senior management compensation, staff compensation (non-academic) and HR policy), but the locations (campuses, medical centers and labs) do not formally report to UC OP HR.
- Each of the locations has adopted its own HR vision and strategy for HR operations – resulting in a wide variation of priorities, activities performed, deployed technologies and technology strategies.
- There is no central HR Information System. There is a central payroll system that is fed information from the locations; however, some of the locations have developed customized HR “systems” and databases which interface with the central payroll system.
- The current payroll system (PPS) is outdated and requires extensive resources for development and maintenance. The absence of a central HRIS also contributes to the need for a higher number of technical/professional positions across UC locations compared to external benchmarks.
- There are currently 6 separate ERP systems in place (Enterprise Resource Planning systems such as Peoplesoft and Oracle) and 15 separate data warehouses at the locations.
- Due to lack of central HR Information System and the multiple separate systems at the locations, there is lack of standardization in data reporting, extensive manual and redundant processes, and customized workarounds at some locations, leading to inconsistency and potential risk to the University.
- Economy of scale has not been realized for UC’s system-wide purchasing power, resulting in duplicative investments and resources.

Prepared by Deloitte Consulting, LLP

2/28/2006

- ¹ See pp. 31 for the Regents' Principles; also available at: www.universityofcalifornia.edu/regents/policies/6154.html.
- ² See pp. 31 for the Regents' Principles; also available at: www.universityofcalifornia.edu/regents/policies/6154.html.
- ³ See pp. 36-37 for the Regents' Principles; also available at: www.universityofcalifornia.edu/regents/policies/6154.html.
- ⁴ The statement is available at: www.ucop.edu/ucophome/coordrev/policy/Stmt_Stmts_Ethics.pdf.
- ⁵ Institutional Shareholder Services, "ISS U.S. Corporate Governance Policy 2006 Updates," p. 3, available at: www.issproxy.com/policy/index.jsp.
- ⁶ According to a 2005 report by the executive search firm Spencer Stuart, in 1998, S&P 500 CEOs served on an average of two outside corporate boards; today, the average has dropped to less than one (0.9) per CEO. See Spencer Stuart, "Spencer Stuart 2005 Board Index," p. 10, available at: content.spencer-stuart.com/sswebsite/pdf/lib/SSBI-2005.pdf.
- ⁷ UC Academic Personnel Manual 740-0, Policy on Leaves of Absence/Sabbatical Leaves, available at: www.ucop.edu/acadadv/acadpers/apm/apm-740.pdf.
- ⁸ The eight universities UC compares itself with in faculty compensation surveys are: Harvard University, MIT, Stanford University, SUNY-Buffalo, University of Illinois, University of Michigan, University of Virginia, and Yale University. For chancellor and senior management compensation, UC compares itself with 26 comparator universities, consistent with surveys by the California Postsecondary Education Commission. For staff, depending on the employee group, UC compares itself with a broad range of relevant compensation surveys.
- ⁹ UC Regents' Resolution RE-61, available at: www.universityofcalifornia.edu/regents/regmeet/sep05/re61.pdf.

Task Force on UC Compensation, Accountability, and Transparency APPENDIX 12

Status of Implementing Regents' Approved Actions

	Task Force Recommendation	Regents' Actions	Status			Comments / Status
			Completed	In Progress	Pending	
Disclosure & Transparency	<p>Public Disclosure of Compensation Information and Actions</p> <p>1. The University should develop and broadly communicate a systemwide policy governing the disclosure of compensation information to the public. Such a disclosure policy must balance public access, personal privacy, and institutional competitiveness by defining what UC considers public versus private/protected information. UC must also provide ongoing training for its leaders and managers about its compensation disclosure policies and practices.</p>	<p>Establish a new disclosure policy (RE74b.1).</p> <p>Review compensation-related policies and procedures (RE74a.1).</p>	✓	✓		<p>The new policy, adopted by the Regents in September 2006, applied new disclosure standards for the public posting of total compensation details prior to Regents' action and after approval. The Annual Report on Executive Compensation was expanded to capture all elements of total compensation and is presented to the Regents, public and legislature each year. The Report undergoes a series of checks to ensure quality and completeness of the information being reported, including individual certifications and local audits.</p> <p>The following 10 policies have been amended, implemented, and in force:</p> <ul style="list-style-type: none"> • SMG Salary and Appointment • SMG Hiring Bonus • SMG Auto Allowance • SMG relocation allowance • Rehired Retirees • Interim policy on Compensated Outside Professional Activities • SMG Performance Management • University-provided housing • SMG Moving Reimbursement • Separation Agreements <p>The following 6 remaining policies are currently under final review and expected to be implemented later this year:</p> <ul style="list-style-type: none"> • Certain sections of the Regents Standing Orders and By Laws to provide further clarification and updates • Outside Professional Activities policies (consolidated final policy) • Migrating Deans from the SMG policies to Academic Personnel policies (not addressed by the Task Force) • Transitional Leave policy (paid administrative leave in lieu of Sabbatical) • Absence from Work (not addressed by the Task Force, but included to support other policies being revised) • SMG Cash Recognition and Incentive Awards

Task Force on UC Compensation, Accountability, and Transparency APPENDIX 12

Status of Implementing Regents' Approved Actions

	Task Force Recommendation	Regents' Actions	Status			Comments / Status
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Disclosure & Transparency	<p>Disclosure of Compensation Details for Regental Review and Approval</p> <p>2. UC must ensure that all relevant information about compensation packages is provided to the Regents in advance of approval. Following Regents' approval, compensation information should be disclosed to the public in a timely manner.</p>	Establish a new compensation disclosure template (RE74c).	✓			The compensation template, approved by the Regents in 2006, contains specific details on all forms of compensation, including cash, non-cash benefits and perquisites, and any other elements of remuneration associated with each individual action. These details are presented to the Regents in advance of each Regents' meeting. Individual details specify whether the action is an exception to policy or compliant with policy. Details of the approved actions are posted to a public website immediately following Regental action.

Task Force on UC Compensation, Accountability, and Transparency APPENDIX 12

Status of Implementing Regents' Approved Actions

	Task Force Recommendation	Regents' Actions	Status			Comments / Status
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Disclosure & Transparency	<p>HR Information Systems for Tracking and Reporting</p> <p>3. The University should invest in a modern, comprehensive, integrated human-resources information system (HRIS) that enables compensation data to be quickly examined and analyzed—at the campuses, medical centers, national laboratories, and systemwide—so that UC can meet its obligation of public accountability. Because the new systems will require a major investment of time, money, and staffing, the University should phase in implementation, beginning first with systems that track senior management compensation.</p>	<p>Conduct a needs assessment (RE74d.1).</p> <p>Phased implementation of new system (RE74d.2).</p> <p>Implement a new Senior Leadership Information System to facilitate data collection and reporting (RE74d.3).</p>	✓			<p>UC commissioned Deloitte in 2006 to conduct an assessment of systemwide HRIS needs. Although certain locations (UCB, UCDCM and LBNL) have 'stand-alone' HR information systems, an enterprise-wide solution has been examined. A significant cost and resource commitment would be necessary for the University to undertake the purchase and implementation of a comprehensive HRIS solution. Due to the current resource constraints, this project has been postponed until a later date.</p> <p>However, because an HR information system is typically integrated with a payroll system, and the payroll systems require immediate overhaul, UC is initiating a systemwide project to design and implement a new payroll system which is expected to contain the essential components necessary to implement a broader, more comprehensive HR information system. This effort is in the very early stages of development, but has the support of all campuses.</p> <p>A new Senior Leadership system was implemented in 2006 to capture detailed data used in the Annual Report on Executive Compensation and the bi-monthly transaction monitoring reports presented at each Regents' meeting. OP Human Resources partners with the campuses, lab and medical centers to collect and validate the data used to produce the Annual Report.</p>

Task Force on UC Compensation, Accountability, and Transparency APPENDIX 12

Status of Implementing Regents' Approved Actions

	Task Force Recommendation	Regents' Actions	Completed			Comments / Status
			In Progress	Pending		
Disclosure & Transparency	<p>Establish Protocol for Disclosure and Reporting Compensation Details</p> <p>4. The University should establish clear protocols, procedures, and forms that allow for full and timely compensation reporting. These reports should include:</p> <ul style="list-style-type: none"> • Annual reports on base salaries for all UC employees. • Annual reports on total compensation for UC executives. • Annual reports on outside compensated professional activities. • Compliance with annual reporting requirements to the Regents and the Legislature. • Regular reviews of compensation policies and practices. • Regular reports on compensation actions taken by the Regents at Board meetings as well as compensation actions taken between Board meetings. 	<p>Revise the Annual Report on Executive Compensation to capture all elements of total compensation (RE74e.1).</p> <p>Determine the group under Regents' direct oversight (RE74e.2).</p> <p>Establish compliance standards and assign to the Regents' Compliance Office (RE74e.3).</p>	✓			<p>The revised Annual Report on Executive Compensation, approved by the Regents in 2006, was expanded to capture all elements of total compensation. A detailed Addendum to the Report, provides specific contextual details and explanatory or clarifying notes. The report for 2008 which presented details on 528 staff, captured all SMG members and any senior staff, including coaches and athletic directors, whose annual total cash compensation exceeded \$214,000. Another broader report provides details on total annual gross pay for all UC employees and is available to the public.</p> <p>The population of UC leadership subject to Regental review and approval was established by the Regents in 2006 and is reviewed and adjusted annually. Currently, compensation-related actions for approximately 350 SMG members and other senior staff are presented to the Regents for review and approval. Approval of actions affecting staff below the SMG level are delegated to the Chancellors, Lab Director, and President, and are reported to the Regents at each meeting for those non-SMG staff members whose annual cash compensation exceeded \$214,000.</p> <p>Compensation-related policies governing SMG members are scheduled for regular, ongoing reviews to ensure that policies reflect appropriate market-prevalent practices, reflect any changes in regulations or laws, and appropriately support the business needs of the University.</p> <p>Reports are presented to the Regents providing details on interim actions approved by the Regents between meetings. In addition, the actions taken by the campuses and medical centers under Regentally-approved delegations of authority are reported at each Regents' meeting.</p> <p>The Office of Ethics, Compliance and Audit Services was established and the Senior Vice President & Chief Compliance and Audit Officer, Sheryl Vacca, was hired in October 2007.</p>

Task Force on UC Compensation, Accountability, and Transparency APPENDIX 12

Status of Implementing Regents' Approved Actions

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Disclosure & Transparency	<p>Establish Website for Posting Information</p> <p>5. The University should improve public information and ensure that this information is readily available, including creating a new, easily accessible Web site for posting UC compensation information consistent with the other recommendations in this report.</p>	Develop a website to provide compensation information, reports and studies (RE74f).	✓			The compensation website was launched in May 2006 and contains details on the compensation programs, approved actions, policies and other communications related to competitive positioning.

Task Force on UC Compensation, Accountability, and Transparency APPENDIX 12

Status of Implementing Regents' Approved Actions

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Disclosure & Transparency	<p>Define 'Total Compensation'</p> <p>6. The Regents should reaffirm the definition of "total compensation" in the Regents' 1992 Principles for Review of Executive Compensation and further clarify some missing elements to ensure consistency with accepted standards and practices.</p>	<p>Reaffirm 1992-93 Principles governing executive compensation (RE74g.1).</p> <p>Define "total compensation" (RE74g.2).</p> <p>Revise reports, forms, policies and procedures (RE74g.3).</p>	<p>✓</p> <p>✓</p> <p>✓</p>			<p>The Regents approved the actions in RE76 reaffirming the 1992-93 Principles governing executive compensation. These principles were also incorporated into the revised compensation-related policies for Senior Managers.</p> <p>The Regents also approved in 2006 the definition of "Total Compensation" which helped shape the content included in the action items presented to Regents for approval, the compensation form, the Annual Report on Executive Compensation and all public disclosures of compensation information. Reports, forms, policies and procedures have been updated to reflect this definition.</p>

Task Force on UC Compensation, Accountability, and Transparency APPENDIX 12

Status of Implementing Regents' Approved Actions

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Disclosure & Transparency	<p>Establish Position to Oversee Public Information Practices</p> <p>7. The UC Office of the President should immediately assign to one person the Public Information Practices Coordinator role. This staff member should coordinate all Public Records Act (PRA) requests and develop clear protocols and timelines for processing these requests.</p>	<p>The Office of the President should assign coordination of Public Information Requests (RE74h.1).</p>	✓			<p>The role has been established and filled with a permanent appointment who coordinates all incoming requests and compiles all information in response. This allows for clear and consistent responses and a single point of accountability.</p>

Task Force on UC Compensation, Accountability, and Transparency APPENDIX 12

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	Task Force Recommendation	Regents' Actions	Status			Comments / Status
			Completed	In Progress	Pending	
Governance & Accountability	<p>Establish Committee on Compensation and Mechanism to Oversee Compliance</p> <p>1. The Regents should examine specific aspects of the University's compliance mechanisms, and if necessary, make changes or introduce new oversight mechanisms to ensure compliance. Specifically, the Regents' Compensation Committee should have primary responsibility for setting compensation policies and providing necessary oversight to ensure compliance. In order for the Committee to exercise proper oversight, the President should designate a senior official from the Office of the President to serve as the administration's liaison to the Regents' Compensation Committee to implement the Committee's mandate.</p> <p><i>(continued on next page)</i></p>	<p>Establish a Committee on Compensation charged to have primary oversight of University compensation-related policies, practices and actions. (RE74i.1).</p> <p>Establish an oversight mechanism to ensure compliance (RE74i.2).</p> <p>Establish a liaison between Office of the President and the Regents to help ensure proper oversight (RE74i.3).</p> <p><i>(continued on next page)</i></p>	<p>✓</p>			<p>The Regents established the Committee on Compensation as a Standing Committee in 2006, appointing a Chair from among the Regents to establish proper oversight standards for the review and approval of compensation, policy and other HR-related activities.</p> <p>Regular reporting and disclosure standards were adopted by the Regents in 2006, along with compliance and monitoring standards. These are consistently and clearly represented in policies. Reports are produced annually to provide a comprehensive view of executive compensation practices for all staff whose total annual cash compensation exceeds the Regentally-established compensation threshold, set at \$214,000 in 2008.</p> <p>The Regents established the position of Executive Vice President – Business Operations who serves as the primary liaison to the Regents' Committee on Compensation.</p> <p>Advisory and implementation committees were formed and actively engaged in the development and implementation of policies and actions associated with the Task Force recommendations. These efforts produced policies establishing Regental oversight of compensation actions, establishing a definition for 'total compensation', disclosure and transparency standards, establishing lines of accountability for actions, and other initiatives described in more detail throughout this document. Periodic audits are performed to ensure adherence to policy and process.</p>

Task Force on UC Compensation, Accountability, and Transparency APPENDIX 12

Status of Implementing Regents' Approved Actions

	Task Force Recommendation	Regents' Actions	Status			Comments / Status
			Completed	In Progress	Pending	
Governance & Accountability	<p>Delineate Authorities</p> <p>2. The Regents should clearly delineate the respective authority of the Regents, the President, and the chancellors in approving compensation decisions. They should also specify which decisions can be delegated, the conditions under which decisions can be delegated, and the review and approval process for delegated decisions. Compensation decisions should be regularly audited to ensure that they are being made and approved at the appropriate levels.</p>	<p>Establish clear delineations of authority (RE74j.1).</p> <p>Establish and conduct regular audits (RE74j.2).</p>	✓			<p>Approval authority was delineated by the Regents in 2006 and reviewed and adjusted by the Regents annually thereafter. The Regents currently review and approve actions for approximately 350 SMG and other senior leadership staff. In 2008 the Regents approved delegations of authority to the President, Chancellors and Lab Director for actions pertaining to certain non-SMG staff. As a key condition of this delegation, bi-monthly reports are presented at each Regents' meeting disclosing the details of actions taken under this delegation by the President, Chancellors and Lab Director for any staff member whose compensation exceeds \$214,000. When actions are identified that should have been approved by a higher authority, e.g., the Regents, corrective actions are implemented and the item is presented for 'retroactive approval' and appropriate disclosure.</p> <p>Regular periodic audits and reviews are conducted in conjunction with the filing of the Annual Report on Executive Compensation, which captures all delegated actions as described above, as well as other compensation-related actions including those approved by</p>

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Status of Implementing Regents' Approved Actions

	Task Force Recommendation	Regents' Actions	Status			Comments / Status
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Governance & Accountability	<p>Clarify and Define Exceptions to Policy</p> <p>3. Compensation policies should include specific guidance about when exceptions to policy are appropriate, who may grant them, and through which mechanisms. Exceptions should be subject to rigorous review and advance approval by the appropriate higher authority. To monitor compliance, all exceptions should be reported to a central office or individual.</p>	Create and implement a new compensation disclosure template (RE74k.1)	✓			<p>All compensation items that are presented to the Regents for approval now contain a detailed chart listing every element of total compensation provided to the individual, specifying whether it is within policy or an exception to policy. When exceptions to policy are requested, background information is provided so the Regents may understand the context and business rationale for the request. Exceptions require a higher level of review and approval, such that if actions within policy would normally be delegated to the Chancellor for approval, exceptions would require the President's review and approval; all SMG actions require Regental approval. Details of those SMG and other actions presented to the Regents for approval, including the compensation chart specifying whether the compensation elements are exceptions or within policy, are posted publicly at each Regents' meeting. Actions that are delegated by the Regents to the President, Chancellors and Lab Director are reported to the Regents at each meeting through the Bi-Monthly Transaction Monitoring Report and also capture the details of the actions including specifying exceptions to policies.</p> <p>The Annual Report on Executive Compensation provides a comprehensive, detailed listing and description of the total compensation for all senior leadership at the University, clearly specifying those elements of compensation that are exceptions to policy.</p> <p>Certain policies, as described in the first item in this report, are currently under review, with a number already amended and implemented. Final Regental approval of remaining policies will occur by the end of fiscal year 2009-10. Audits will be conducted periodically after implementation.</p>
		Create an information system that captures, tracks and monitors exceptions to policy (RE74k.2)	✓			
		Review and revise policies (RE74k.3)	✓			
		Annual audits will include examination of exceptions and the supporting rationale (RE74k.4).	✓			

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Status of Implementing Regents' Approved Actions

	Task Force Recommendation	Regents' Actions	Status			Comments / Status
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Governance & Accountability	<p>Violations of Policy</p> <p>4. Policies must include specific consequences for violations of compensation policy. Violations should be reported annually to the Regents' Compensation Committee and, where appropriate, sanctions should be issued.</p>	<p>Develop a specific policy on violations of University policy or law (RE74I.1).</p> <p>Review and clarify policy language to address consequences of violations (RE74I.2).</p>	 			<p>In November 2006 the Regents established guidelines to define three levels and types of policy violations. Each level has a range of corrective or disciplinary actions associate with it. These guidelines are referenced within new policies and applied if and when violations are discovered. Each revised policy contains a section that specifically addresses compliance, assigns an executive officer responsible for ensuring compliance, and specifies the corrective actions approved by Regents in 2006 as the mechanism for addressing violations and infractions. In May 2006 the Regents established a policy addressing violations of policy or law by individuals with negotiated separation agreements, and the disposition of any separation pay. In addition, there are policies (PPSM 60-67, APM336) that deal with disciplinary and separation actions.</p>

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Status of Implementing Regents' Approved Actions

	Task Force Recommendation	Regents' Actions	Completed			Comments / Status
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Governance & Accountability	<p>Policy Review and Revision</p> <p>5. UC should immediately eliminate any conflicts in its compensation and related governance policies and clarify precisely which policies apply to different groups of employees.</p>	<p>Undertake a policy review to clarify ambiguous language and eliminate conflicts (RE74m.1).</p> <p>Create an advisory Committee (RE74a2).</p> <p>Retain a consultant to assist in preparing the overall policy review framework (RE74a.3).</p> <p>Determine if external consulting help is needed to establish ongoing training (RE74a4).</p>	   			<p>Many of the major policy conflicts and ambiguities have been addressed and corrected. However, given the complexity and volume of policies governing the different groups of UC employees, this will be an ongoing effort. Although the overall policy review is still underway, as described earlier in this document, interim policies, e.g., Compensated Outside Professional Activities, have been implemented to provide clarification and guidance until the full policy review can be concluded.</p> <p>A policy advisory group was established to create a process and framework to guide policy review and development, prioritization, and assessment of competitive market practices. Subject matter experts, including campus and OP resources, provided specific input in the review and development of policies. The Compliance group continues to be involved in the remaining policy reviews and dissemination.</p> <p>Policy training and communication is ongoing between the OP SMG compensation team and SMG Coordinators at the campuses, medical centers and lab. Regular conference calls and consultations occur to address policy questions and to clarify interpretations. Clarifications are shared with all Coordinators across the system and incorporated into policy revisions, FAQs, and other communications.</p>

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Governance & Accountability	<p>Ethics</p> <p>7. UC leaders should vigorously promote standards of ethical conduct and UC should continue to broadly communicate its whistleblower and anti-retaliation policies.</p>	<p>Establish an Ethics training program (RE74o.1).</p> <p>Implement Ethics training program (RE74o.2).</p> <p>Report on ongoing efforts re: ethics training (RE74o.3).</p>	<p>✓</p> <p>✓</p> <p>✓</p>			<p>An online ethics training program was adopted and implemented in 2006. During 2008, the training related to ethics began to be integrated into the ongoing compliance and conflict of interest training, as well as other training modules such as Researcher training. Reporting is accomplished through the quarterly compliance reports. Training is mandated for all employees on an ongoing, annual basis. Over the last 2 years, 85% of employees systemwide fulfilled their training requirement. It is expected that as training programs are further refined and the ethics component is integrated into the programs this compliance rate will increase.</p>

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Specific Policies & Practices	<p>Policy on Outside Activities</p> <p>1. The University should adopt specific limits on externally compensated activities to preclude conflicts of commitment on the part of senior executives. Based on leading best practices in governance from the public and private sectors, UC senior executives should be limited to serving on no more than three externally compensated boards.</p>	<p>Establish a policy governing outside service on boards (RE74p.1).</p>				<p>In 2006, the Regents adopted a revised 'interim' policy and expanded reporting requirements for compensated outside professional activities for the senior management group. This interim version defined "board service" and placed limits on the number of boards on which one may serve.</p> <p>The revision to this policy is substantially complete, pending further review including consultation with the Academic Senate. This interim policy will prevail until the full policy can be revised and implemented, which is anticipated to conclude later this year.</p>

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			Completed	In Progress	Pending	
Specific Policies & Practices	<p>Policy Revision and Clarification</p> <p>2. Policies governing outside professional activities and board service for senior managers who also hold faculty appointments should be revised so that the senior manager policy prevails.</p>	<p>A new policy should be established governing outside professional activities in consultation with the Academic Senate (RE74q.1).</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Several options have been identified in consultation with campus and academic senate constituents. The revision to this policy is substantially complete, and is expected to be implemented later this year.</p>

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Specific Policies & Practices	<p>Policy Review and Revision</p> <p>3. The University should carefully review its policies on “administrative leaves in lieu of sabbaticals” for senior managers who also hold academic appointments, especially chancellors, and revisit the provision that these leaves be paid at the higher administrative salary rate rather than the faculty salary rate. The University must also revisit the questionable practice of honoring sabbatical credits earned at other institutions to ensure it is in accordance with both the letter and the spirit of sabbatical policies. Furthermore, the Regents should eliminate the practice of making payments, at the commencement of employment, to compensate for forfeited sabbatical credits accrued at other institutions.</p>	<p>Review the policy on “Administrative Leaves in Lieu of Sabbatical” in consultation with the Academic Senate (RE74r.1).</p>				<p>In 2006 the Regents disallowed the cashing out of sabbatical credits earned at other institutions for newly-hired SMG members.</p> <p>A fully revised policy is substantially complete and is expected to be presented to Regents for approval later this year.</p>

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	Task Force Recommendation	Regents' Actions	Completed			Comments / Status
			In Progress	Pending		
Competitive Compensation	<p>Compensation Philosophy</p> <p>1. The Regents should implement, in a vigorous and sustained manner, their compensation philosophy emphasizing the importance of competitive compensation as a means to maintain the quality of academic, management, and staff personnel.</p>	<p>Implement the compensation philosophy adopted by the Regents in November 2005 under RE61, including bringing salaries to market within 10 years (RE74s.1).</p> <p>The Regents, in consultation with the faculty, staff and administrators, will identify additional resources to reach market competitive compensation (RE74s.2).</p> <p>Establish external, regular benchmarking for compensation analyses (RE74s.3).</p>	✓		✓	<p>Consistent with RE61, additional funding for merit/equity increases was provided in 2005-06 and 2006-07 for staff. The faculty plan to reach market in four years was implemented in year one but suspended for subsequent years' actions due to the severe budget reductions. Additional information is presented below.</p> <p>✓ Benchmarking of salaries, total cash compensation and total remuneration has been established and is ongoing on a regular basis. The University collects data on the 26 public and private institutions designated under the protocol established by the California Postsecondary Education Commission (CPEC).</p> <p>Although, in general, salaries of most employee groups continue to lag the market, in some cases by significant amounts, funding is not available to close the gap. Closing this gap in the future will be significantly more expensive and will present substantial funding challenges. In addition, as the market gap widens, retaining quality faculty and staff will become more difficult, and recruiting top-flight replacements at market-prevailing wages will further heighten internal awareness of the disparities.</p> <p>✓</p>

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	Task Force Recommendation	Regents' Actions	Status			Comments / Status
			Completed	In Progress	Pending	
Competitive Compensation	Total Remuneration Review					
	<p>2. The Regents should examine the composition of UC compensation to determine if the balance between cash compensation versus health and retirement benefits is optimal for recruitment and retention purposes. The Regents should approach this examination with the understanding that the underlying issues may differ among employee groups and that some issues are subject to the collective bargaining process.</p>	<p>Conduct an analysis of total compensation (RE74t.1).</p> <p>Establish an advisory committee comprised of faculty, staff and administrators to review compensation (RE74t.2).</p>	✓			<p>A complete update to the 2005 Total Remuneration Study was completed in May 2009, in full consultation with an Advisory Group from the UC Faculty Welfare Committee of the Academic Senate. The report captures detailed information on all aspects of cash and non-cash compensation, assigning a value to benefits and other non-cash forms of remuneration. The Study compares these values to public and private institutions, as well as industry cohort comparators. Specific analyses break out the various UC employee segments into Faculty, SMG, MSP, PSS (policy-covered staff), and PSS (represented staff). The Study includes results for UCOP, the Campuses and Medical Centers. The Study will be a critical resource for the work of the President's Task Force on Post Employment Benefits. Plans call for the presentation of key findings of the Study to be presented to the Regents later in 2009 as part of the budget planning cycle of the University.</p>

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Competitive Compensation	<p>Compensation Studies</p> <p>3. The Regents should regularly benchmark the University's compensation against peer institutions to ensure that UC compensation remains competitive.</p>	<p>Establish compensation benchmarking processes (RE74u.1).</p> <p>Implement the compensation philosophy adopted under RE61 (RE74u.2).</p>	<p>✓</p>			<p>UC participates in third-party compensation surveys and benchmarks against the 26 public and private educational institutions as established by CPEC to determine relative position to market. Base salaries of certain categories of employees, e.g., faculty, senior staff, etc., continue to lag the market by significant amounts. These market analyses will continue despite the current fiscal situation so that our competitive position is clearly understood and can be addressed in part or as a whole when the fiscal situation improves or as circumstances warrant.</p>

Status of Implementing Regents' Approved Actions

	Task Force Recommendation	Regents' Actions	Status			Comments / Status
			Completed	In Progress	Pending	
Competitive Compensation	<p>Competitive Compensation and Position to Market</p> <p>4. The Regents' Compensation Committee should identify and address as quickly as possible the key compensation challenges facing the University today, including the difficulties of competing for employees with better-funded institutions and the sometimes competing demands of market, merit, and equity.</p>	Implement the compensation philosophy adopted under RE61 (RE74v.1).			✓	<p>The President and the Regents have consistently recognized the importance of ensuring that the University be in a position to provide competitive compensation to faculty and staff as to ensure that it can attract and retain the best talent possible. Historically the cash compensation for existing faculty and staff has lagged the market in varying degrees, in one case by as much as 37% for Chancellors. Although the University's benefits have tended to soften the impact of this disparity, the impending restart of employee contributions into UCRP scheduled for April 2010 and the trend of shifting increasing costs of some benefits to employees has resulted in a reduction in the value of these benefits.</p> <p>In FY 2007-08, the Regents adopted a four year faculty salary plan designed to address market disparity. The first year of the program was funded; however no further funding was provided for year two or three (FY 2008-09/FY 2009-10) due to State budget reductions sustained by the University. In FY 2008-09 and FY 2009-10, faculty merits increases did continue to be funded even though staff merits were cancelled. The magnitude of the State funding reductions to the University for FY 2008-09 and FY 2009 10 totaling over \$800 million (a 20% reduction over FY 2007-08 levels) caused the Regents, upon request of the President, to declare a fiscal emergency and impose furloughs/salary reductions on faculty and staff for the period of September 1, 2009 through August 31, 2010.</p> <p>Clearly these actions caused by the dramatic State funding reductions confronting the University will challenge the University's ability to remain competitive in retaining and recruiting faculty and staff. The next few years will test the University's ability to address fiscal challenges in new and creative ways, to free up resources to reshape the University's future and ensure that appropriate market-based total remuneration is a component of a sustainable solution to maintaining the University's reputation as a top ranked public research and educational institution.</p>
		Provide annual reports on progress (RE74v.2).	✓			
		Provide annual report to the Legislature on progress to close salary gap (RE74v.3).	✓			
		Conduct compensation benchmark studies (RE74v.4).	✓			
		Identify additional funding sources for reaching market parity (RE74v.5).			✓	

WEBLINKS TO NEW and RECENTLY REVISED POLICIES for UC SENIOR MANAGEMENT GROUP

SMG Salary and Appointment

http://atyourservice.ucop.edu/employees/policies_employee_labor_relations/personnel_policies/smg_salary.pdf

SMG Hiring Bonus

http://atyourservice.ucop.edu/employees/policies_employee_labor_relations/personnel_policies/smg_hire.pdf

SMG Relocation Allowance

http://atyourservice.ucop.edu/employees/policies_employee_labor_relations/personnel_policies/smg_relocate_allow.pdf

SMG Moving Reimbursement

http://atyourservice.ucop.edu/employees/policies_employee_labor_relations/personnel_policies/smg_move_reimburse.pdf

SMG Automobile Allowance

http://atyourservice.ucop.edu/employees/policies_employee_labor_relations/personnel_policies/smg_auto_allow.pdf

SMG Performance Management

http://atyourservice.ucop.edu/employees/policies_employee_labor_relations/personnel_policies/smg_505_process_policy.pdf

University-Provided Housing

http://www.ucop.edu/ucophome/coordrev/policy/univprov_hsing_policy.pdf

Interim Policy on Compensated Outside Professional Activities

http://atyourservice.ucop.edu/employees/policies_employee_labor_relations/personnel_policies/opa-interim.html

Settlement of Litigation, Claims and Separation Agreements

<http://www.universityofcalifornia.edu/regents/policies/6126.html>

Reemployment of Retired Employees

http://atyourservice.ucop.edu/employees/policies_employee_labor_relations/re-emp_ret_emp.pdf

COMMITTEE ON COMPENSATION

INFORMATION ITEM*For Meeting of May 7, 2009***ANNUAL REPORT ON EXECUTIVE COMPENSATION FOR CALENDAR YEAR 2008: INCUMBENTS IN CERTAIN SENIOR MANAGEMENT POSITIONS**

As part of its commitment to transparency and public accountability, the University of California reports annually on compensation paid to senior managers. This report (Attachment 1) details all aspects of senior management compensation, and it is also posted on UC websites to provide public access to the information.

KEY POINTS ABOUT UC EXECUTIVE COMPENSATION FOR 2008

The components of compensation for certain sectors of UC employees are dictated by prevailing practices in the market. In particular markets, such as health sciences, coaches, and investment professionals, compensation is divided into two distinct parts: (1) a guaranteed base salary; and (2) a contingent payment based on performance. In order to compete in these markets for the highest quality individuals, UC must and should reflect the same market practices, or our top quality health sciences professionals, for example, will merely transfer to a hospital that will pay competitively.

The highlights of the attached annual report are as follows:

- **UC doctors and coaches remain the highest paid:** As in previous years, the top earning employees at UC in 2008 based on total pay were either members of the health sciences personnel, some world-renowned specialists in their fields, or athletic coaches.
- **Executive pay remains a tiny portion of payroll:** Senior management salaries continue to represent less than 1 percent of UC's total payroll.
- **No State funds for incentive/bonus pay:** No State funds are used for UC incentive or bonus payments for clinical and health sciences personnel, or treasurer's office personnel, and all compensation for coaches and other athletics personnel is paid from non-State funds.
- **Incentive pay used to promote good performance and university priorities:** Like many employers nationwide, UC uses incentive compensation plans to encourage and reward sustained individual and group performance in support of key University goals:

- Medical centers: Incentive compensation plans for UC hospitals cover employees at all levels – from clerical staff to senior hospital leaders – and reward individual as well as group performance for upholding key priorities such as improving patient care and safety, operational efficiency, and good financial management.
- Treasurer’s Office: Consistent with industry standards, the Treasurer’s Office incentive compensation plan rewards recipients for maximizing long-term total investment returns while assuming appropriate levels of risk, and promotes teamwork. Awards are paid out over three years to help retain good performers, with future payouts forfeited if the participant leaves UC.
- Coaches: Coaches’ pay is comprised of base salary plus bonuses and incentive pay tied to revenue generated from television and radio contracts, marketing arrangements with equipment and clothing manufacturers, and summer sports camps. Other awards are based on specific goals, such as winning a national championship, and are paid only if those goals are met. Other pay may include signing or retention bonuses.
- **By the numbers**: The 111 incentive and bonus payments in this report total \$4,849,243 – approximately .054 percent of UC’s \$9 billion annual payroll. The vast majority of these payments (67.6 percent) are attributable to the clinical enterprise and Treasurer’s Office plans.

REPORT FORMAT AND CONTENT

The content and layout of this report, compliant with legislative reporting requirements, was approved by the Regents at the January 2007 meeting. This report presents the following information for calendar year 2008:

Population covered: This report includes all incumbents in the “senior officials” listing as referenced in the Budget Act. This report also includes the population that currently requires Regental review and approval, e.g., those administrators in slotted positions, including those that are not slotted, such as coaches, whose potential total cash compensation exceeds the current reporting threshold of \$214,000.

The attached report displays compensation details on approximately 529 incumbents and former incumbents, including those in acting capacities, and those who stepped down or terminated employment. If an individual held more than one position during 2008, e.g., Acting Dean and then was appointed Dean, each position is reported.

Cash compensation: The report presents the following compensation in the following categories: annualized base salary, annualized stipends, actual payments received under incentive or bonus programs (see next section for more detail), total actual Health Sciences Compensation Plan (HSCP) payments (see below for more detail), and other cash compensation or cash payments. A subtotal of these elements is also provided. Please note that this information is a combination of data that represents actual payments and annualized figures. The annualized figures for base salary and stipends were chosen over

actual pay to avoid problems with partial year assignments. For example, actual pay for a new employee who starts employment with the University in November with an annualized base salary of \$240,000 would be only \$40,000. In many cases, stipends (which are represented in the report as annualized figures) may only be paid for a portion of the year and therefore may not reflect the amount actually received. In some cases, individuals received the stipend for less than the full year, but the annualized figure is still represented.

Incentive and Bonus Compensation: The incentive and bonus payments represented in the report can be categorized into one of the following: Clinical Enterprise Management Recognition Plan (CEMRP), Treasurer's Annual Incentive Plan (AIP), awards paid to Coaches, or Other Local Incentive Plans. *These programs are not State-funded. Some locally funded and administered Bonus plans may use State funds for a portion of the award.*

There are 111 incentive and bonus payments included in this report, totaling \$4,849,243. The vast majority of these payments (75 payments, or 67.6 percent) and cost (\$3,757,212, or 77.5 percent) are attributable to the Regentally approved CEMRP and AIP programs.

Clinical Enterprise Management Incentive Plan: Under the authority granted by the Board of Regents to the President in 1992, the purpose of CEMRP is to provide variable, non-base building salary recognition awards to those individuals responsible for attaining or exceeding key Clinical Enterprise objectives consistent with University objectives. Achievement is measured based on specific financial, non-financial/quality, and strategic objectives which relate to the Clinical Enterprise's mission and goals. The Plan focuses participants on the achievement of local and systemwide institutional objectives to encourage teamwork and to recognize joint effort required to meet challenging organizational goals. The Plan also uses individual performance measures to encourage participants to maximize their personal effort and to demonstrate individual excellence. There are 59 payments approved under policy (41 approved by the Regents, 18 approved by Chancellors) and reported in this category, totaling \$2,260,492 (46.6 percent of total payments reported).

CEMRP is a key component of the overall competitive pay for leadership at the hospitals. The program rewards participants for their performance against key initiatives such as improving quality of care, patient satisfaction and safety, as well as attaining or exceeding key financial objectives. This program is funded through clinical revenues and does not use State funds.

This Plan was most recently reviewed for market competitiveness in 2007 by Mercer Human Resources Consulting. The Plan was reviewed in comparison to market prevalent practices based on the *Mercer 2007/2008 US Compensation Planning Survey*, pertaining to pay practices in the Healthcare industry and in Government/Nonprofit. Adjustments to Plan provisions, intended to ensure Plan competitiveness with the market, relative to Plan Eligibility, Performance Measures and Award Opportunity were recommended to the

Regents at their November 2007 meeting. Adjustments were approved by the Regents at their January 2008 meeting, to be effective with the 2008-2009 plan year.

Treasurer's Annual Incentive Plan: Under the authority granted by the Board of Regents, the purpose of the AIP is to provide the opportunity for variable financial incentives to those employees responsible for attaining or exceeding key objectives in the Treasurer's Office which are consistent with University investment objectives. The Plan provides an annual non-base building cash incentive based on performance of the University's investment portfolio, various groups within the Treasurer's Office, e.g., management of particular asset classes, and the individual. The incentive award is earned based on the achievement of specific investment, non-financial, and strategic objectives relative to the mission and goals of the Treasurer's Office and the performance of the investment portfolio. The Plan focuses participants on maximizing long-term total returns for all funds managed while assuming appropriate levels of risk. It is intended to support teamwork so that members of the Treasurer's Office operate as a cohesive group. This Plan does not use State funds. There are 16 payments approved under policy (2 approved by the Regents, 14 approved by President Yudof) and reported in this category, totaling \$1,496,720 (30.9 percent of total payments reported).

At the May 2007 Regents meeting, the Committee on Investments approved performance benchmarks for the 2007-2008 plan year based on market data. If performance warrants payout at target levels, then the overall cash compensation for the individual is competitive with the median of the market for that particular position. The awards are paid out over three years in equal installments, with future payouts forfeited if the participant leaves UC employment.

This Plan was most recently reviewed for market competitiveness in 2007 by Mercer Human Resources Consulting. Each Plan feature was reviewed in comparison to market prevalent practices based on the *Mercer 2007 Compensation Survey of Investment Groups within University Endowments and Foundations*. The survey reported at the time that 82 percent of survey participants and 100 percent of the organizations over \$5 billion in assets under management had or were in the process of implementing an incentive plan. The range of incentive award amounts in not-for-profit investment organizations varied from 20 percent to 100 percent of base salary, depending on position level and compensation philosophy. For-profit organizations reported offering significantly higher incentive opportunities. The review conducted in 2007 included recommended adjustments to certain provisions of the Plan. Adjustments to the provisions were reviewed by the Regents at their July 2007 meeting, and approved at the September 2007 meeting.

Awards paid to Coaches or other Athletics Personnel: The compensation for coaches is comprised of a base salary plus various types of bonuses and incentives. These bonuses and incentives are recognition awards tied to revenue streams from contracts with television and radio, marketing arrangements with equipment and clothing manufacturers, and summer sports camps. Other awards are based on specific

performance goals and only pay out if attained, e.g., winning the national championship. Other forms of bonuses may include signing or retention bonuses.

The coaches shown in this report are paid from non-State funds, generally from specific gifts and donations or sports-related revenue sources. State funding is not used as a source for coach compensation. There are 20 payments (approved by the Regents or under their delegated authority) reported in this category, totaling \$848,382 (17.5 percent of total payments reported).

The compensation for coaches is tied directly to market demand, with a coach's success driving the demand. As win-records increase, national attention brings employment opportunities, which may require compensation terms to be adjusted when retention is necessary. The hiring of a new coach or the retention of an existing coach and the compensation offered to him/her is dependent upon the demand in the market to secure their services. The compensation offered to UC coaches is aligned with other coaches in the PAC-10, again, depending on the win/loss record of the coach.

Other Local Incentive and Bonus Plans: Provisions for payments made under local incentive plans vary by plan. Please refer to the report comments and addendum for details of each payment. There are 16 payments reported in this category, totaling \$243,649 (5.0 percent of total payments reported). Payments in this category made under the Staff Recognition and Development Program (SRDP) or other similar locally funded program on the campuses may use State funds for a portion of the award.

Health Sciences Compensation Plan: Health Sciences Compensation Plan (HSCP) payments are provided and displayed in a separate column for those individuals who participate in this program. The amounts displayed in this column reflect actual payments to the individuals and include income processed through the HSCP, per policy, from qualified outside activities, such as clinical services, research, speaking engagements, etc. Since an individual's outside activities fluctuate from year to year, the HSCP payments may also fluctuate accordingly. This report reflects 17 individuals receiving payment under the HSCP, totaling \$1,550,977.

This program is under the authority of the Regents of the University of California and was established in 1995 to create a mechanism by which UC faculty in clinical departments can be paid from revenues derived from delivery of health services or research, at wages that compete with the health care market in and outside of California. Income from services varies considerably between healthcare disciplines (nursing, dentistry, medicine, public health, etc.) so the HSCP is designed to function across a wide spectrum of health care providers or administrators of clinical programs. The funds distributed from the HSCP are not derived from State sources.

One-time payments/reimbursements made to the employee or on behalf of the employee to a third-party vendor, including relocation allowances, temporary housing reimbursements or allowances, and moving expense reimbursements are also included. Some of the

information displayed in this section is described in more detail in the Addendum, which is provided as Attachment 2.

Benefits and perquisites include leased auto or auto allowance, senior management benefits (including some or all of the following: life insurance, executive business travel insurance, executive salary continuation for disability), University-provided housing, severance benefits, senior management supplemental benefit program contributions, additional post-retirement benefits (including medical coverage, enhanced retirement income benefits, enhanced retirement vesting schedules, etc.), and home mortgage loans provided under the University programs (the original loan amount is presented). Auto allowances are represented as annualized figures. In some cases, individuals received the allowance for less than the full year, but the annualized figure is still represented.

Data Collection, Review, Audit and Certification Process

This Annual Report on Executive Compensation was produced from data collected manually by each campus and laboratory using a variety of sources such as payroll, accounts payable, personnel records and other sources to populate a data warehouse, the Senior Leadership Information System (SLIS). Multiple data quality reviews were conducted by the Office of the President (OP) and local entities. The first certification occurred at the individual level when each person received a report from SLIS displaying his or her data and was asked to certify that the information was accurate and complete. In addition, campus and OP auditors reviewed the population and data to validate the accuracy and completeness of the data. Each Chancellor and the Laboratory Director reviewed their location data, certifying that the population contained in the report was accurate and complete. The President has also certified the report after the Chancellors and Laboratory Director.

(Attachments)



ANNUAL REPORT ON EXECUTIVE COMPENSATION FOR CALENDAR YEAR 2006

Name	Title	Location	Annualized Base Salary	All Actual Bonus/Incentive Payments	Bonus/Incentive Comments	Total Actual Health Science Compensation	Annualized Stipend	Other Cash Compensation or Payments	Subtotal: Cash Compensation	Moving Costs (Reimbursement)	Allowances: Housing, Relocation, Recruitment	Auto Allowance	SMG Benefits	UC Provided Housing	Severance Benefits	SMG Supp Benefit	Additional Post-Retirement Benefits	UC Provided Home Mortgage
BARBOUR, ANNE SAUNDERS	ATHLETIC DIRECTOR	UCB	\$273,450	\$76,675	Athletic contract: Payments consistent with terms of contract approved by the Regents on 11/16/06.			\$119,000	\$469,125		\$12,422		N	N	N		N	
BASRI, GIBOR	VICE CHANCELLOR - EQUITY AND INCLUSION	UCB	\$200,000						\$200,000				Y	N	N		N	
BIDDY, FRANKLIN SCOTT	VICE CHANCELLOR-UNIVERSITY RELATIONS	UCB	\$272,000						\$272,000			\$8,916	Y	N	N	5%	N	\$434,100
BIRGENEAU, ROBERT J.	CHANCELLOR	UCB	\$436,800						\$436,800			\$8,916	Y	Y	N	5%	Y	
BLINDER, DAVID	ASSOCIATE VICE CHANCELLOR - UNIVERSITY RELATIONS	UCB	\$240,000						\$240,000				N	N	N		N	\$626,300
BOYLE, JOANNE	HEAD COACH-WOMEN'S BASKETBALL	UCB	\$241,688	\$99,710	Athletic contract: Payments consistent with terms of contract approved by the Regents on 05/15/08.			\$311,148	\$652,546				N	N	N		N	
BRAUN, BEN	FORMER HEAD COACH-MEN'S BASKETBALL	UCB	\$156,000	\$12,995	Athletic contract: Payments consistent with terms of contract approved by the Regents on 07/19/07.			\$1,453,327	\$1,622,322				N	N	N		N	
BRESLAUER, GEORGE W	EXECUTIVE VICE CHANCELLOR & PROVOST	UCB	\$309,100						\$309,100			\$8,916	Y	N	N		N	
BROSTROM, NATHAN	VICE CHANCELLOR - ADMINISTRATION	UCB	\$283,100						\$283,100				Y	N	N	5%	N	
BROUGHTON, JANET	DEAN-ARTS AND HUMANITIES	UCB	\$197,000						\$197,000				Y	N	N		N	
BURNSIDE, MARY B	VICE CHANCELLOR-RESEARCH	UCB	\$248,500						\$248,500				Y	N	N		N	
CAMPBELL, THOMAS J.	DEAN-HAAS SCHOOL OF BUSINESS	UCB	\$300,800						\$300,800				Y	N	N		N	
CIGNETTI, FRANK J.	OFFENSIVE COORDINATOR - FOOTBALL	UCB	\$168,000	\$6,000	Athletic contract: Payments consistent with terms of contract approved by the Regents on 02/04/08.			\$165,558	\$339,558	\$13,061			N	N	N		N	
CUMMINS, JOHN F	ASSOCIATE CHANCELLOR/CHIEF OF STAFF	UCB	\$185,600						\$185,600				Y	N	N	3%	N	
DAVIS, BARBARA G	ASSISTANT VICE CHANCELLOR- EQUITY AND INCLUSION	UCB	\$135,500						\$135,500				Y	N	N	3%	N	
DAVIS, SAM	ACTING DEAN-COLLEGE OF ENVIRONMENTAL DESIGN	UCB	\$208,600						\$208,600				N	N	N		N	
DEQUIRE, TRAVIS L.	ASSISTANT COACH-MEN'S BASKETBALL	UCB	\$130,000					\$15,779	\$145,779	\$11,116			N	N	N		N	
DENTON, EDWARD J	VICE CHANCELLOR-FACILITIES SERVICES	UCB	\$220,500						\$220,500				Y	N	N	5%	N	
DEVRIES, JAN	ACTING DEAN-SOCIAL SCIENCES	UCB	\$229,872				\$34,478		\$264,350				N	N	N		N	
DRAGUN, DIANA WU	DEAN-UNIVERSITY EXTENSION	UCB	\$164,500						\$164,500				Y	N	N	5%	N	
DRAGUN, DIANA WU	FORMER ACTING DEAN- UNIVERSITY EXTENSION	UCB	\$131,600				\$19,700		\$151,300				N	N	N		N	
DURDEN, DAVID A.	HEAD COACH-MEN'S SWIMMING AND DIVING	UCB	\$124,800	\$41,250	Athletic contract: Payments consistent with terms of contract approved by the Regents on 01/17/08.			\$133,202	\$299,252				N	N	N		N	
EDLEY, CHRISTOPHER	DEAN-SCHOOL OF LAW	UCB	\$307,000				\$43,000		\$350,000				Y	N	N		N	\$1,000,000
ESQUER, DAVID	HEAD COACH-BASEBALL	UCB	\$111,180	\$7,500	Athletic contract: Payments consistent with terms of contract approved by the Regents on 09/21/06.			\$105,557	\$224,237				N	N	N		N	
FELLER, RICHARD I	HEAD COACH-WOMEN'S VOLLEYBALL	UCB	\$111,240	\$50,000	Athletic contract: Payments consistent with terms of contract approved by the Regents on 07/19/07.			\$46,500	\$207,740				N	N	N		N	
FRAKER, JR, HARRISON S	DEAN-COLLEGE OF ENVIRONMENTAL DESIGN	UCB	\$205,400						\$205,400				Y	N	N	5%	N	\$325,600
GILLESS, J KEITH	FORMER ACTING DEAN-COLLEGE OF NATURAL RESOURCES	UCB	\$115,800				\$40,000		\$155,800				N	N	N		N	
GILLESS, J KEITH	DEAN-COLLEGE OF NATURAL RESOURCES	UCB	\$172,300						\$172,300				Y	N	N		N	
GJERDE, JON	FOMER DEAN - SOCIAL SCIENCES	UCB	\$192,700						\$192,700				Y	N	N		N	
GRANDE, HARRY LE	FORMER ACTING VICE CHANCELLOR-STUDENT AFFAIRS	UCB	\$160,105				\$36,344		\$196,449				N	N	N		N	
GRANDE, HARRY LE	VICE CHANCELLOR-STUDENT AFFAIRS	UCB	\$215,000						\$215,000				Y	N	N	5%	N	
GREGORY, ROBERT	ASSISTANT COACH-FOOTBALL	UCB	\$168,000	\$46,000	Athletic contract: Payments consistent with terms of contract approved by the Regents on 07/19/07.			\$78,791	\$292,791				N	N	N		N	
GRIMES, KEVIN	HEAD COACH-MEN'S SOCCER	UCB	\$110,000	\$27,750	Athletic contract: Payments consistent with terms of contract approved by the Regents on 07/21/08.			\$102,900	\$240,650				N	N	N		N	
HEATHCOCK, CLAYTON H	FORMER ACTING DEAN-COLLEGE OF CHEMISTRY	UCB	\$180,700				\$46,600	\$28,532	\$255,832				N	N	N		N	
HOLMES, CLAIRE A.	ASSOCIATE VICE CHANCELLOR-PUBLIC AFFAIRS	UCB	\$230,000						\$230,000				N	N	N		N	



ANNUAL REPORT ON EXECUTIVE COMPENSATION FOR CALENDAR YEAR 2008

Name	Title	Location	Annualized Base Salary	All Actual Bonus/Incentive Payments	Bonus/Incentive Comments	Total Actual Health Science Compensation	Annualized Stipend	Other Cash Compensation or Payments	Subtotal: Cash Compensation	Moving Costs (Reimbursement)	Allowances: Housing, Relo, Recruitment	Auto Allowance	SMG Benefits	UC Provided Housing	Severance Benefits	SMG Supp Benefit	Additional Post-Retirement Benefits	UC Provided Home Mortgage
JOHN,JAY A.	ASSISTANT COACH-MEN'S BASKETBALL	UCB	\$100,000					\$15,779	\$115,779	\$29,372			N	N	N		N	
KOSHLAND,CATHERINE P	VICE PROVOST-ACADEMIC PLANNING AND FACILITIES	UCB	\$192,700						\$192,700				Y	N	N		N	
LEONARD,THOMAS C	UNIVERSITY LIBRARIAN	UCB	\$196,000						\$196,000				Y	N	N		N	
LEVI,DENNIS M.	DEAN-SCHOOL OF OPTOMETRY	UCB	\$223,000					\$18,583	\$241,583		\$9,400		Y	N	N		N	\$685,000
LIE,JOHN	DEAN-INTERNATIONAL AND AREA STUDIES	UCB	\$202,600						\$202,600				Y	N	N		N	\$750,000
LYONS,RICHARD K	DEAN-HAAS SCHOOL OF BUSINESS	UCB	\$373,200						\$373,200				Y	N	N		N	
MATHIES,RICHARD A	DEAN-COLLEGE OF CHEMISTRY	UCB	\$233,000						\$233,000				Y	N	N		N	
MCGUIRE,NEIL J.	HEAD COACH - WOMEN'S SOCCER	UCB	\$108,150	\$3,000	Athletic contract: Payments consistent with terms of contract approved by the Regents on 07/19/07.			\$34,755	\$145,905				N	N	N		N	
MCKEEVER,TERI J	HEAD COACH-WOMEN'S SWIMMING	UCB	\$127,228	\$8,500	Athletic contract: Payments consistent with terms of contract approved by the Regents on 05/17/07.			\$66,393	\$202,121				N	N	N		N	
MICHALCZIK,JIM	ASSISTANT COACH - FOOTBALL	UCB	\$135,000	\$31,000	Athletic contract: Payments consistent with terms of contract approved by the Regents on 07/19/07.			\$52,192	\$218,192				N	N	N		N	
MIDANIK,LORRAINE T	DEAN - SCHOOL OF SOCIAL WELFARE	UCB	\$200,000						\$200,000				Y	N	N		N	
MONTGOMERY,MICHAEL J.	HEAD COACH-MEN'S BASKETBALL	UCB	\$250,000					\$1,000,000	\$1,250,000	\$17,040			N	N	N		N	
NACHT,MICHAEL	DEAN-GOLDMAN SCHOOL OF PUBLIC POLICY	UCB	\$200,500					\$12,956	\$213,456				Y	N	N		N	
NINEMIRE,DIANE L	HEAD COACH-SOFTBALL	UCB	\$136,875	\$25,000	Athletic contract: Payments consistent with terms of contract approved by the Regents on 07/17/08.			\$46,024	\$207,899				N	N	N		N	
OWEN,WILLIAM G	FORMER DEAN-BIOLOGICAL SCIENCES	UCB	\$217,400						\$217,400				Y	N	N		N	
PEARSON,P DAVID	DEAN-GRADUATE SCHOOL OF EDUCATION	UCB	\$239,800						\$239,800				Y	N	N		N	\$680,000
PRICE,ROBERT M	INTERIM VICE CHANCELLOR-RESEARCH	UCB	\$129,600				\$110,100		\$239,700				N	N	N		N	
QUIGLEY,JOHN M	FORMER ACTING DEAN-GOLDMAN SCHOOL OF PUBLIC POLICY	UCB	\$213,700				\$54,000		\$267,700				N	N	N		N	
REYNAUD,LOUIS	FORMER ASSISTANT COACH-MEN'S BASKETBALL	UCB	\$128,750	\$8,750	Athletic contract: Payments consistent with terms of contract effective March 25, 2008.			\$27,250	\$164,750				N	N	N		N	
RICHARDS,MARK A	EXECUTIVE DEAN COLLEGE OF LETTERS AND SCIENCE AND DEAN-PHYSICAL SCIENCES	UCB	\$217,400				\$32,600		\$250,000				Y	N	N		N	
SASTRY,SOSALE SHANKAR	DEAN - COLLEGE OF ENGINEERING	UCB	\$275,000					\$15,053	\$290,053				Y	N	N		N	\$265,000
SAXENIAN,ANNALEE	DEAN-SCHOOL OF INFORMATION	UCB	\$210,000						\$210,000				Y	N	N		N	
SCHLISSEL,MARK S	DEAN-BIOLOGICAL SCIENCES	UCB	\$259,100						\$259,100				Y	N	N		N	\$250,000
SHORTELL,STEPHEN M	DEAN-SCHOOL OF PUBLIC HEALTH	UCB	\$327,600						\$327,600				Y	N	N		N	
SMITH,MICHAEL R	ASSISTANT CHANCELLOR-LEGAL AFFAIRS	UCB	\$180,900						\$180,900				Y	N	N	3%	N	
STOVALL,TYLER E	DEAN-UNDERGRADUATE DIVISION	UCB	\$182,300						\$182,300				Y	N	N		N	\$562,500
SZERI,ANDREW J	DEAN - GRADUATE DIVISION	UCB	\$172,600						\$172,600				Y	N	N		N	
TEDFORD,JEFF	HEAD FOOTBALL COACH	UCB	\$225,000	\$42,314	Athletic contract: Payments consistent with terms of contract approved by the Regents on 03/15/07.			\$1,600,080	\$1,867,394				N	N	N		N	
TETI,MICHAEL F.	HEAD COACH-MEN'S CREW	UCB	\$110,000					\$25,450	\$135,450	\$27,033			N	N	N		N	
WAGGENER,SHELTON	ASSOCIATE VICE CHANCELLOR FOR INFORMATION TECHNOLOGY AND CHIEF INFORMATION OFFICER	UCB	\$218,500						\$218,500				Y	N	N	5%	N	
YEARY,FRANK D.	VICE CHANCELLOR	UCB	\$200,000						\$200,000				Y	N	N	5%	N	
ZEDECK,SHELDON	VICE PROVOST - ACADEMIC AFFAIRS AND FACULTY WELFARE	UCB	\$207,600						\$207,600				Y	N	N		N	
ZIMBARDO,CHRISTINA MASLACH	VICE PROVOST-TEACHING AND LEARNING	UCB	\$180,300						\$180,300				Y	N	N		N	
ZIMBARDO,CHRISTINA MASLACH	FORMER ACTING DEAN-UNDERGRADUATE DIVISION	UCB	\$180,300				\$27,000		\$207,300				Y	N	N		N	
ALFEN,NEAL VAN	DEAN - COLLEGE OF AGRICULTURAL & ENVIRONMENTAL SCIENCES	UCD	\$240,700						\$240,700				Y	N	N		N	
ALVARADO,GLORIA J	EXECUTIVE DIRECTOR - HUMAN RESOURCES	UCD	\$214,200	\$29,990	CEMRP: Approved under local authority; Reported to the Regents in November 2008 Bi-monthly Transaction Report				\$244,190				N	N	N		N	



ANNUAL REPORT ON EXECUTIVE COMPENSATION FOR CALENDAR YEAR 2008

Name	Title	Location	Annualized Base Salary	All Actual Bonus/Incentive Payments	Bonus/Incentive Comments	Total Actual Health Science Compensation	Annualized Stipend	Other Cash Compensation or Payments	Subtotal: Cash Compensation	Moving Costs (Reimbursement)	Allowances: Housing, Relo, Recruitment	Auto Allowance	SMG Benefits	UC Provided Housing	Severance Benefits	SMG Supp Benefit	Additional Post-Retirement Benefits	UC Provided Home Mortgage
BIGGART, NICOLE W	DEAN-GRADUATE SCHOOL OF MANAGEMENT	UCD	\$281,100						\$281,100				Y	N	N		N	
BOYD, MICHAEL W	EXECUTIVE DIRECTOR - PLANNING, DESIGN & CONSTRUCTION	UCD	\$206,000	\$37,000	CEMRP: Approved under local authority; Reported to the Regents in November 2008 Bi-monthly Transaction Report				\$243,000				N	N	N		N	
BURTIS, KENNETH C	DEAN-COLLEGE OF BIOLOGICAL SCIENCES	UCD	\$192,300						\$192,300				Y	N	N		N	\$125,000
DROWN, STEVEN A.	CAMPUS COUNSEL AND ASSOCIATE GENERAL COUNSEL	UCD	\$205,045						\$205,045				Y	N	N	5%	N	
DURUISSEAU, SHELTON J	SENIOR ADMINISTRATIVE AND PROFESSIONAL SERVICES OFFICER, UC DAVIS HEALTH SYSTEM	UCD	\$278,320	\$38,220	CEMRP: Approved by the Regents November 2008				\$316,540				Y	N	N	5%	N	
FRANKEL, ANN D	ASSISTANT DIRECTOR, FINANCIAL SERVICES	UCD	\$207,600	\$24,912	Other: Staff Recognition and Development Program (SRDP) payment issued November 20, 2008, prior to Regents salary freeze item from January 14, 2009.				\$232,512				N	N	N		N	
GIBELING, JEFFERY C	DEAN - GRADUATE STUDIES	UCD	\$179,500						\$179,500				Y	N	N		N	
HORWITZ, BARBARA A	ACTING PROVOST AND EXECUTIVE VICE CHANCELLOR	UCD	\$244,000				\$36,600		\$280,600			\$8,916	Y	N	N		N	
HORWITZ, BARBARA A	VICE PROVOST - ACADEMIC PERSONNEL	UCD	\$244,000						\$244,000				Y	N	N		N	
JOHNSON, KEVIN R	DEAN - SCHOOL OF LAW	UCD	\$307,200					\$825	\$308,025				Y	N	N		N	
JOHNSON, VINCENT L	CHIEF OPERATING OFFICER OF THE UC DAVIS MEDICAL CENTER	UCD	\$450,000						\$450,000	\$3,514	\$25,000		Y	N	N	5%	N	
KLEIN, BARRY M	VICE CHANCELLOR - RESEARCH	UCD	\$237,400						\$237,400				Y	N	N		N	
KO, WINSTON T	DEAN - DIVISION OF MATHEMATICAL AND PHYSICAL SCIENCES, COLLEGE OF LETTERS AND SCIENCE	UCD	\$196,700						\$196,700				Y	N	N		N	
LACY, WILLIAM B	VICE PROVOST - UNIVERSITY OUTREACH AND INTERNATIONAL PROGRAMS	UCD	\$165,600						\$165,600				Y	N	N		N	
LAVERNIA, ENRIQUE J	DEAN - COLLEGE OF ENGINEERING	UCD	\$246,800					\$20,567	\$267,367				Y	N	N		N	
LEVINE, HAROLD G.	DEAN-SCHOOL OF EDUCATION	UCD	\$186,800				\$37,360		\$224,160				Y	N	N		N	
MANGUN, GEORGE R	ACTING DEAN - SOCIAL SCIENCES	UCD	\$278,460						\$278,460				N	N	N		N	
MC GOWAN, WILLIAM H	CHIEF FINANCIAL OFFICER - UC DAVIS MEDICAL CENTER	UCD	\$419,700	\$55,400	CEMRP: Approved by the Regents November 2008				\$475,100				Y	N	N	5%	N	
MEYER, JOHN A	VICE CHANCELLOR - RESOURCE MANAGEMENT AND PLANNING	UCD	\$200,200						\$200,200				Y	N	N	5%	N	
MINEAR, MICHAEL N	CHIEF INFORMATION OFFICER, DAVIS CAMPUS HEALTH SYSTEM	UCD	\$310,000	\$32,000	CEMRP: Approved by the Regents November 2008				\$342,000	\$2,500			Y	N	N	5%	N	
NOSEK JR, STANLEY E	VICE CHANCELLOR - ADMINISTRATION	UCD	\$224,000						\$224,000				Y	N	N	5%	N	
ORLOWSKI, ANNA	CHIEF HEALTH SCIENCES COUNSEL	UCD	\$200,590	\$13,853	CEMRP: Approved under local authority; Reported to the Regents in November 2008 Bi-monthly Transaction Report			\$100	\$214,543				N	N	N		N	
OSBURN, BENNIE I	DEAN - SCHOOL OF VETERINARY MEDICINE	UCD	\$261,100						\$261,100				Y	N	N		N	
OWENS, JESSIE ANN	DEAN - DIVISION OF HUMANITIES, ARTS AND CULTURAL STUDIES, COLLEGE OF LETTERS AND SCIENCE	UCD	\$195,400						\$195,400				Y	N	N		N	\$575,000
PENDLETON, DENNIS F	DEAN - UNIVERSITY EXTENSION	UCD	\$166,500						\$166,500				Y	N	N	5%	N	
PERSCHBACHER, REX R	FORMER DEAN - SCHOOL OF LAW	UCD	\$260,200						\$260,200				Y	N	N		N	
POMEROY, CLAIRE	VICE CHANCELLOR - HUMAN HEALTH SCIENCES AND DEAN - SCHOOL OF MEDICINE	UCD	\$468,800	\$84,380	CEMRP: Approved by the Regents November 2008	\$75,000			\$628,180				Y	N	N		N	
RICE, ANN MADDEN	CHIEF EXECUTIVE OFFICER-UC DAVIS MEDICAL CENTER	UCD	\$584,300	\$89,700	CEMRP: Approved by the Regents November 2008				\$674,000			\$8,916	Y	N	N	5%	N	
ROBINSON, CAROL A	SENIOR PATIENT CARE SERVICES OFFICER, UC DAVIS HEALTH SYSTEM	UCD	\$273,300	\$39,400	CEMRP: Approved by the Regents November 2008				\$312,700				Y	N	N	5%	N	
SANDEEN, BEVERLY A	VICE CHANCELLOR - UNIVERSITY RELATIONS	UCD	\$222,500						\$222,500			\$8,916	Y	N	N	5%	N	
SHARROW, MARILYN J	UNIVERSITY LIBRARIAN	UCD	\$191,300						\$191,300				Y	N	N	5%	N	
SHEFFRIN, STEVEN M	FORMER DEAN-DIVISION OF SOCIAL SCIENCES, COLLEGE OF LETTERS AND SCIENCE	UCD	\$207,900						\$207,900				Y	N	N		N	
SIEFKIN, ALLAN D	CHIEF MEDICAL OFFICER - UC DAVIS MEDICAL CENTER	UCD	\$342,000	\$33,080	CEMRP: Approved by the Regents November 2008				\$375,080				Y	N	N	5%	N	
SIEGEL, PETER M	VICE PROVOST-INFORMATION & EDUCATIONAL TECHNOLOGY	UCD	\$262,500						\$262,500				Y	N	N	5%	N	



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TURNER,PATRICIA A	VICE PROVOST - UNDERGRADUATE STUDIES	UCD	\$175,900						\$175,900				Y	N	N		N	
VANDERHOEF,LARRY N	CHANCELLOR	UCD	\$315,000						\$315,000			\$8,916	Y	Y	N	5%	N	
WHITE,BRUCE R	ACTING VICE PROVOST - ACADEMIC PERSONNEL	UCD	\$212,512						\$212,512				N	N	N		N	
WOOD,FRED E.	VICE CHANCELLOR - STUDENT AFFAIRS	UCD	\$210,000						\$210,000				Y	N	N		N	
YOUNG,HEATHER M	ASSOCIATE VICE CHANCELLOR FOR NURSING	UCD	\$290,000			\$60,000			\$350,000	\$4,278	\$72,500		Y	N	N		N	
ALEXOPOULOS,NICOLAOS G	FORMER DEAN-HENRY SAMUELI SCHOOL OF ENGINEERING	UCI	\$221,700						\$221,700				Y	N	N		N	\$391,500
BAILEY,DAVID N	VICE CHANCELLOR-HEALTH AFFAIRS	UCI	\$532,500			\$50,000			\$582,500				Y	N	N		N	
BENNETT,ALBERT	DEAN-SCHOOL OF BIOLOGICAL SCIENCES	UCI	\$250,000						\$250,000				Y	N	N		N	
BRAS,RAFAEL L	DEAN - HENRY SAMUELI SCHOOL OF ENGINEERING	UCI	\$330,000						\$330,000	\$36,233	\$82,500		Y	N	N		N	
BRASE,WENDELL C	VICE CHANCELLOR-ADMINISTRATIVE AND BUSINESS SERVICES	UCI	\$224,600				\$20,000		\$244,600				Y	N	N	5%	N	\$300,000
BRYANT,SUSAN V	VICE CHANCELLOR-RESEARCH	UCI	\$275,000						\$275,000				Y	N	N		N	
CHEMERINSKY,ERWIN STUART	DEAN - DONALD BREN SCHOOL OF LAW	UCI	\$350,000						\$350,000	\$30,739	\$87,500		Y	N	N		N	
DORMAIER,ROY E.	VICE CHANCELLOR-PLANNING AND BUDGET	UCI	\$232,000						\$232,000				Y	N	N	5%	N	\$582,750
DOSHER,BARBARA ANNE	DEAN-SCHOOL OF SOCIAL SCIENCES	UCI	\$195,900						\$195,900				Y	N	N		N	
DOUGLASS,JOSEPH P	HEAD COACH-MEN'S BASKETBALL	UCI	\$232,800	\$3,000	Athletic contract:Payments consistent with terms of contract effective July 1, 2002.			\$55,298	\$291,098				N	N	N		N	
DRAKE,MICHAEL V	CHANCELLOR	UCI	\$392,200						\$392,200			\$8,916	Y	Y	N	5%	N	
FERNANDEZ,NOHEMA	FORMER DEAN-CLAIRE TREVOR SCHOOL OF THE ARTS	UCI	\$180,100						\$180,100				Y	N	N		N	
FERNANDEZ,NOHEMA	FORMER DEAN-CLAIRE TREVOR SCHOOL OF THE ARTS	UCI	\$180,100						\$180,100				Y	N	N		N	
GEOCARIS,DIANE FIELDS	CHIEF CAMPUS COUNSEL AND ASSOCIATE GENERAL COUNSEL	UCI	\$223,045						\$223,045				Y	N	N	5%	N	
GILLESPIE,MICHAEL J.	HEAD COACH-BASEBALL	UCI	\$140,000	\$5,000	Athletic contract: Payments consistent with terms of contract approved by the Regents on 10/05/07.			\$7,691	\$152,691				N	N	N		N	
GLADSON,REBEKAH G.	ASSOCIATE VICE CHANCELLOR AND CAMPUS ARCHITECT-DESIGN AND CONSTRUCTION SERVICES	UCI	\$200,000				\$16,800		\$216,800				N	N	N		N	
GOMEZ,MANUEL N	VICE CHANCELLOR-STUDENT AFFAIRS	UCI	\$215,300						\$215,300				Y	N	N	5%	N	
GOTTFREDSON,MICHAEL RYAN	EXECUTIVE VICE CHANCELLOR AND PROVOST	UCI	\$301,500						\$301,500			\$8,916	Y	N	N		N	\$373,550
GROSSER,JOY MELANIE	FORMER CHIEF INFORMATION OFFICER	UCI	\$301,600	\$37,599	CEMRP: Approved by the Regents November 2008				\$339,199				Y	N	N	5%	N	\$375,000
HEMMINGER,JOHN C.	DEAN-SCHOOL OF PHYSICAL SCIENCES	UCI	\$227,700					\$18,463	\$246,163				Y	N	N		N	
HERRON,JAMES R	ASSOCIATE VICE CHANCELLOR-ADMINISTRATION OF HEALTH AFFAIRS	UCI	\$298,800						\$298,800				Y	N	N	5%	N	
HUFF,CLARENCE RONALD	DEAN-SCHOOL OF SOCIAL ECOLOGY	UCI	\$195,200						\$195,200				Y	N	N		N	
IZZI,MICHAEL A	DIRECTOR OF INTERCOLLEGIATE ATHLETICS	UCI	\$190,000					\$46,000	\$236,000				N	N	N		N	
KING,RONALD L	CHIEF FINANCIAL OFFICER - HEALTH AFFAIRS	UCI	\$431,500	\$60,518	CEMRP: Approved by the Regents November 2008				\$492,018				Y	N	N	5%	N	
LEWIS,ELLEN M	FORMER DIRECTOR OF CLINICAL EDUCATION	UCI	\$138,900						\$138,900				Y	N	N	3%	N	
MITCHELL,THOMAS J.	VICE CHANCELLOR-UNIVERSITY ADVANCEMENT	UCI	\$275,000						\$275,000			\$8,916	Y	N	N	5%	N	\$892,500
MUNOFF,GERALD J.	UNIVERSITY LIBRARIAN	UCI	\$188,000						\$188,000				Y	N	N	5%	N	\$270,000
MURRY,JIMMY MATHEW	ACTING CHIEF INFORMATION OFFICER MEDICAL CENTER	UCI	\$274,300						\$274,300				N	N	N		N	
POLICANO,ANDREW JOHN	DEAN-PAUL MERAGE SCHOOL OF BUSINESS	UCI	\$300,900						\$300,900				Y	N	N		N	
RAYBURN,SUSAN J.	EXECUTIVE DIRECTOR OF CLINICAL ENTERPRISE	UCI	\$212,700	\$28,401	CEMRP: Approved by the Regents November 2008				\$241,101				Y	N	N	5%	N	
REISER,LISA M.	CHIEF PATIENT CARE SERVICES OFFICER	UCI	\$243,000	\$26,507	CEMRP: Approved by the Regents November 2008				\$269,507				Y	N	N	5%	N	
RICHARDSON,DEBRA J	DEAN-DONALD BREN SCHOOL OF INFORMATION AND COMPUTER SCIENCES	UCI	\$195,200						\$195,200				Y	N	N		N	\$103,500
RUIZ,VICKI LYNN	DEAN - SCHOOL OF HUMANITIES	UCI	\$221,300						\$221,300				Y	N	N		N	\$196,800
SCHNEIDER,PETER	CHIEF HEALTH SCIENCES COUNSEL	UCI	\$220,000						\$220,000				N	N	N		N	
SPIRITUS,EUGENE	CHIEF MEDICAL OFFICER	UCI	\$310,000	\$38,373	CEMRP: Approved by the Regents November 2008				\$348,373				Y	N	N	5%	N	



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Name	Title	Location	Annualized Base Salary	All Actual Bonus/Incentive Payments	Bonus/Incentive Comments	Total Actual Health Science Compensation	Annualized Stipend	Other Cash Compensation or Payments	Subtotal: Cash Compensation	Moving Costs (Reimbursement)	Allowances: Housing, Relo, Recruitment	Auto Allowance	SMG Benefits	UC Provided Housing	Severance Benefits	SMG Supp Benefit	Additional Post-Retirement Benefits	UC Provided Home Mortgage
TERRICCIANO,ALAN L	ACTING DEAN - CLAIRE TREVOR SCHOOL OF THE ARTS	UCI	\$116,278				\$43,722		\$160,000				N	N	N		N	
THATCHER,PATRICIA D.	EXECUTIVE DIRECTOR-HR AND CUSTOMER SERVICE, MEDICAL CENTER	UCI	\$196,547	\$17,542	CEMRP: Approved under local authority; Reported to the Regents in November 2008 Bi-monthly Transaction Report				\$214,089				N	N	N		N	
WINNER,CYNTHIA A.	CHIEF AMBULATORY CARE OFFICER	UCI	\$238,200	\$24,371	CEMRP: Approved under local authority; Reported to the Regents in November 2008 Bi-monthly Transaction Report				\$262,571				N	N	N		N	
WOON,PETER	CONTROLLER-FINANCIAL ADMINISTRATION, MEDICAL CENTER	UCI	\$209,160					\$12,021	\$221,181				N	N	N		N	
ZEHNTNER,MAUREEN L	ASSOCIATE VICE CHANCELLOR/CHIEF EXECUTIVE OFFICER - MEDICAL CENTER	UCI	\$555,000	\$74,432	CEMRP: Approved by the Regents November 2008				\$629,432			\$8,916	Y	N	N	5%	N	
ZEHNTNER,MAUREEN L	FORMER ACTING CHIEF EXECUTIVE OFFICER	UCI	\$453,300				\$50,000		\$503,300				Y	N	N	5%	N	
ATCHISON,KATHRYN	VICE PROVOST -- INTELLECTUAL PROPERTY & INDUSTRY RELATIONS	UCLA	\$234,000			\$14,669			\$248,669				N	N	N		N	
BLOCK,GENE D.	CHANCELLOR	UCLA	\$416,000						\$416,000			\$8,916	Y	Y	N		N	
BOUBELIK,JANE ESTHER	CHIEF LEGAL COUNSEL, MEDICAL SCIENCES	UCLA	\$235,000	\$23,500	CEMRP: Approved under local authority; Reported to the Regents in November 2008 Bi-monthly Transaction Report				\$258,500				N	N	N		N	
CALDWELL,YOLANDA NICOLE	HEAD WOMEN'S BASKETBALL COACH	UCLA	\$250,000					\$68,416	\$318,416	\$19,157			N	N	N		N	
CARPENTER,KATHARINE O	CHIEF ADMINISTRATIVE OFFICER SANTA MONICA--UCLA MEDICAL CENTER AND ORTHOPAEDIC HOSPITAL	UCLA	\$266,800	\$38,336	CEMRP: Approved by the Regents November 2008				\$305,136				Y	N	N	5%	N	
CHOW,NORMAN YEW HEEN	FOOTBALL OFFENSIVE COORDINATOR	UCLA	\$250,000					\$61,801	\$311,801	\$822			N	N	N		N	
COWAN,MARIE J	FORMER DEAN -- SCHOOL OF NURSING	UCLA	\$215,500						\$215,500				Y	N	N	5%	N	
CREEM,MITCHELL R.	FORMER CHIEF FINANCIAL OFFICER -- UCLA MEDICAL SCIENCES	UCLA	\$471,700						\$471,700				Y	N	N	5%	N	
CROOKS,HEIDI	SR. ASSOCIATE DIRECTOR -- OPERATIONS & PATIENT CARE SERVICES	UCLA	\$266,800	\$39,475	CEMRP: Approved by the Regents November 2008				\$306,275				Y	N	N	5%	N	
DANIELS,DONALD FRANCIS	ASSISTANT COACH, MEN'S BASKETBALL	UCLA	\$200,000					\$16,203	\$216,203				N	N	N		N	
DAVIS,JAMES	ASSOCIATE VICE CHANCELLOR -- INFORMATION TECHNOLOGY	UCLA	\$223,900						\$223,900				Y	N	N		N	\$800,000
DHIR,VIJAY K	DEAN -- SCHOOL OF ENGINEERING AND APPLIED SCIENCE	UCLA	\$270,300					\$22,525	\$292,825				Y	N	N		N	
DORR,AIMEE	DEAN -- SCHOOL OF GRAD. ED. & INFO. STUDIES	UCLA	\$218,600						\$218,600				Y	N	N		N	
DORRELL,KARL JAMES	FORMER HEAD COACH, FOOTBALL	UCLA	\$150,000	\$200,000	Athletic contract:Payments consistent with terms of contract approved by the Regents on 07/19/06.			\$481,866	\$631,866				N	N	N		N	
ENTRIKIN,J N	ACTING VICE PROVOST-INTERNATIONAL STUDIES	UCLA	\$206,900				\$23,800		\$230,700				N	N	N		N	
FEINBERG,DAVID T	ASSOCIATE VICE CHANCELLOR AND CHIEF EXECUTIVE OFFICER FOR THE HOSPITAL SYSTEM	UCLA	\$739,700	\$83,448	CEMRP: Approved by the Regents November 2008				\$823,148			\$8,916	Y	N	N		N	
FEINBERG,DAVID T	FORMER ACTING ASSOCIATE VICE CHANCELLOR/CHIEF EXECUTIVE OFFICER	UCLA	\$265,100				\$283,900		\$549,000			\$8,916	N	N	N		N	
FLANNERY,DIANE M	MANAGER, UCLA-NPI CENTER FOR COMMUNITY HEALTH	UCLA	\$217,300						\$217,300				N	N	N		N	
FLYNN,MARY FRANCES	DIRECTOR, MANAGED CARE PROGRAM, UCLA MEDICAL CENTER	UCLA	\$242,300	\$34,261	CEMRP: Approved under local authority; Reported to the Regents in November 2008 Bi-monthly Transaction Report				\$276,561				N	N	N		N	
GILLIAM JR,FRANKLIN D	DEAN -- SCHOOL OF PUBLIC AFFAIRS	UCLA	\$250,000						\$250,000				Y	N	N		N	
GILLIAM JR,FRANKLIN D	FORMER ASSOCIATE VICE CHANCELLOR -- COMMUNITY PARTNERSHIPS	UCLA	\$214,800						\$214,800				N	N	N		N	
GUERRERO,DANIEL GENE	DIRECTOR, INTERCOLLEGIATE ATHLETICS	UCLA	\$465,000	\$78,938	Athletic contract:Payments consistent with terms of contract approved by the Regents in May 2008.			\$40,626	\$584,564				N	N	N		N	\$850,000
HENDRICKSON,PETER E	ASSOCIATE VICE CHANCELLOR, DESIGN & CONSTRUCTION	UCLA	\$244,400						\$244,400				N	N	N		N	
HOWLAND,BENJAMIN CLARK	HEAD COACH, MEN'S BASKETBALL	UCLA	\$300,000	\$75,000	Athletic contract:Payments consistent with terms of contract dated 06/24/08			\$1,827,221	\$2,202,221				N	N	N		N	\$900,000



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KLOVE,CAROLE A	CHIEF COMPLIANCE OFFICER -- UCLA HOSPITAL SYSTEM	UCLA	\$251,600	\$38,244	CEMRP: Approved by the Regents November 2008				\$289,844				Y	N	N	5%	N	
LEVEY,GERALD S.	VICE CHANCELLOR -- MEDICAL SCIENCES & DEAN -- SCHOOL OF MEDICINE	UCLA	\$530,000			\$207,000		\$234	\$737,234			\$8,916	Y	N	N	5%	N	\$800,000
LEVIN,LUBBE	ASSOCIATE VICE CHANCELLOR -- CAMPUS HUMAN RESOURCES	UCLA	\$200,000						\$200,000				Y	N	N	5%	N	
LODGE-LEMON,BERNADETTE	DIRECTOR, REVENUE CYCLE, UCLA HOSPITAL SYSTEM	UCLA	\$218,700						\$218,700				N	N	N		N	
LU,SUSIE L.	ASSOCIATE DIRECTOR, OPERATIONS- OUTPATIENT/ANCILLARY SERVICES, UCLA HOSPITAL SYSTEM	UCLA	\$243,600	\$34,442	CEMRP: Approved under local authority; Reported to the Regents in November 2008 Bi-monthly Transaction Report				\$278,042		\$16,125		N	N	N		N	
LYDER,COURTNEY H	DEAN -- SCHOOL OF NURSING	UCLA	\$250,000						\$250,000	\$8,854	\$62,500		Y	N	N		N	
MACIAS,REYNALDO FLORES	ACTING DEAN, DIVISION OF SOCIAL SCIENCES, COLLEGE	UCLA	\$210,600				\$31,600		\$242,200				N	N	N		N	
MARTIN,WILLIAM W	HEAD COACH, MEN'S TENNIS	UCLA	\$104,500					\$200,993	\$305,493				N	N	N		N	
MITCHELL-KERNAN,CLAUDIA J	VICE CHANCELLOR -- GRADUATE STUDIES & DEAN -- GRADUATE DIVISION	UCLA	\$203,700						\$203,700				Y	N	N	5%	N	
MONTERO,JANINA	VICE CHANCELLOR -- STUDENT AFFAIRS	UCLA	\$228,400						\$228,400				Y	N	N	5%	N	\$639,200
MORABITO,S	ADMINISTRATIVE VICE CHANCELLOR	UCLA	\$265,500						\$265,500				Y	N	N	5%	N	\$800,000
NEUHEISEL,RICHARD GERALD	HEAD FOOTBALL COACH	UCLA	\$250,000					\$1,047,887	\$1,297,887	\$20,476			N	N	N		N	
NYAMATHI,ADELINE M	ACTING DEAN -- SCHOOL OF NURSING	UCLA	\$187,000				\$28,100		\$215,100				N	N	N		N	
O'KELLEY,JOHN SHANNON	ASSOCIATE DIRECTOR, OPERATIONS -- CLINICAL SERVICES, UCLA HOSPITAL SYSTEM	UCLA	\$244,900	\$35,825	CEMRP: Approved under local authority; Reported to the Regents in November 2008 Bi-monthly Transaction Report				\$280,725		\$10,750		N	N	N		N	
OLIAN,JUDY D.	DEAN -- ANDERSON SCHOOL OF MANAGEMENT	UCLA	\$373,200					\$50,000	\$423,200		\$29,166		Y	N	N		N	\$2,000,000
OLSEN,STEVEN A.	VICE CHANCELLOR -- FINANCE, BUDGET & CAPITAL PROGRAMS	UCLA	\$288,300						\$288,300				Y	N	N	5%	N	\$709,400
OSMAN,GINGER	CHIEF ADMINISTRATIVE OFFICER, GEFKEN SCHOOL OF MEDICINE	UCLA	\$231,400						\$231,400				N	N	N		N	
PARK,NO-HEE	DEAN -- SCHOOL OF DENTISTRY	UCLA	\$295,300			\$66,500		\$15,942	\$377,742				Y	N	N		N	
PECCEI,ROBERTO	VICE CHANCELLOR -- RESEARCH	UCLA	\$248,400						\$248,400				Y	N	N	5%	N	\$400,000
REED,KEVIN S.	VICE CHANCELLOR -- LEGAL AFFAIRS	UCLA	\$265,500						\$265,500				Y	N	N	5%	N	
REISLER,EMIL	DEAN -- SCHOOL OF LIFE SCIENCES, COLLEGE OF LETTERS AND SCIENCE	UCLA	\$236,400						\$236,400				Y	N	N		N	
RICE,THOMAS H	VICE CHANCELLOR -- ACADEMIC PERSONNEL	UCLA	\$236,500						\$236,500				Y	N	N		N	
ROSEN,ROBERT	DEAN -- SCHOOL OF THEATER, FILM AND TELEVISION	UCLA	\$203,800					\$16,983	\$220,783				Y	N	N		N	
ROSENSTOCK,LINDA	DEAN -- SCHOOL OF PUBLIC HEALTH	UCLA	\$310,100			\$34,100		\$2,825	\$347,025				Y	N	N		N	
ROSENTHAL,J THOMAS	CHIEF MEDICAL OFFICER, UCLA HOSPITAL SYSTEM	UCLA	\$431,500	\$49,415	CEMRP: Approved by the Regents November 2008				\$480,915				Y	N	N		N	
ROTHMAN,JUDITH	ASSOCIATE VICE CHANCELLOR - MEDICAL SCIENCES AND SENIOR ASSOCIATE DEAN - SCHOOL OF MEDICINE	UCLA	\$244,300						\$244,300				Y	N	N	5%	N	\$250,000
RUBIN,AMIR DAN	CHIEF OPERATING OFFICER, UCLA HOSPITAL SYSTEM	UCLA	\$547,600	\$83,235	CEMRP: Approved by the Regents November 2008				\$630,835		\$9,375		Y	N	N	5%	N	
RUDNICK,JOSEPH A	ACTING DEAN -- DIVISION OF PHYSICAL SCIENCES	UCLA	\$225,500				\$33,800		\$259,300				N	N	N		N	
SANDEEN,CATHY A.	DEAN -- CONT. ED. AND UNEX	UCLA	\$185,600						\$185,600				Y	N	N	5%	N	
SAVAGE,JOHN JOSEPH	HEAD COACH, BASEBALL	UCLA	\$185,000					\$54,828	\$239,828				N	N	N		N	
SCHILL,MICHAEL H	DEAN -- SCHOOL OF LAW	UCLA	\$316,900						\$316,900				Y	N	N		N	\$850,000
SHULTZ,JAMES	EXECUTIVE DIRECTOR -- PHYSICIAN SUPPORT SERVICES	UCLA	\$238,200	\$34,457	CEMRP: Approved by the Regents November 2008				\$272,657				Y	N	N	5%	N	
SMITH,JUDITH L	DEAN AND VICE PROVOST - UNDERGRADUATE EDUCATION, COLLEGE OF LETTERS AND SCIENCE	UCLA	\$235,800						\$235,800				Y	N	N		N	
SPEARE,MARK A	SR. ASSOC. DIRECTOR, MARKETING, PATIENT RELATIONS AND HUMAN RESOURCES	UCLA	\$244,900	\$36,054	CEMRP: Approved under local authority; Reported to the Regents in November 2008 Bi-monthly Transaction Report				\$280,954				N	N	N		N	
STATON,PAUL A	CHIEF FINANCIAL OFFICER, UCLA HOSPITAL SYSTEM	UCLA	\$310,800	\$47,241	CEMRP: Approved by the Regents November 2008				\$358,041				Y	N	N	5%	N	
STOWELL,TIMOTHY A	DEAN -- DIVISION OF HUMANITIES, COLLEGE OF LETTERS & SCIENCE	UCLA	\$203,000						\$203,000				Y	N	N		N	
STRONG,GARY EUGENE	UNIVERSITY LIBRARIAN	UCLA	\$212,700						\$212,700				Y	N	N	5%	N	



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TORRES-GIL, FERNANDO M	FORMER ACTING DEAN-SCHOOL OF PUBLIC AFFAIRS	UCLA	\$216,000				\$8,208		\$224,208				N	N	N		N	
TURTELTAUB, RHEA P	VICE CHANCELLOR -- EXTERNAL AFFAIRS	UCLA	\$300,000						\$300,000			\$8,916	Y	N	N	5%	N	
TURTELTAUB, RHEA P	FORMER ACTING VICE CHANCELLOR - EXTERNAL AFFAIRS	UCLA	\$216,400				\$32,460		\$248,860				N	N	N		N	
VALDIVIEZO, NORA L	DIRECTOR, FINANCIAL SYSTEMS, UCLA MEDICAL CENTER	UCLA	\$218,700						\$218,700				N	N	N		N	
WALKER, DEWAYNE MORRIS	FOOTBALL DEFENSIVE COORDINATOR	UCLA	\$195,000					\$201,693	\$396,693				N	N	N		N	
WARD, CATHY RODGERS	DIRECTOR, NURSING, UCLA HOSPITAL SYSTEM	UCLA	\$218,700						\$218,700				N	N	N		N	
WATERMAN, CHRISTOPHER ALAN	DEAN -- SCHOOL OF THE ARTS & ARCHITECTURE	UCLA	\$245,000						\$245,000				Y	N	N		N	
WATKINS, PAUL H.	DIRECTOR, SUPPORT SERVICES, UCLA HOSPITAL SYSTEM	UCLA	\$200,600	\$30,490	CEMRP: Approved under local authority; Reported to the Regents in November 2008 Bi-monthly Transaction Report				\$231,090		\$9,250		N	N	N		N	
WAUGH, SCOTT L	EXEC. VICE CHANCELLOR AND PROVOST	UCLA	\$366,000						\$366,000		\$8,916		Y	N	N	5%	N	
WAUGH, SCOTT L	FORMER ACTING EXEC. VICE CHANCELLOR AND PROVOST	UCLA	\$202,100				\$83,500		\$285,600				Y	N	N	5%	N	
YANCEY, JR, WILLIAM R	ASSISTANT DEAN - DENTISTRY	UCLA	\$171,900					\$65,500	\$237,400				N	N	N		N	
ALLEY, KEITH EDWARD	EXECUTIVE VICE CHANCELLOR AND PROVOST	UCM	\$240,500						\$240,500		\$8,916		Y	N	N		N	
BJORNSSON, HANS CHRISTER	ACTING DEAN OF THE SCHOOL OF SOCIAL SCIENCES, HUMANITIES AND ARTS	UCM	\$185,000						\$185,000				N	N	N		N	
GARAMENDI II, JOHN RAYMOND	VICE CHANCELLOR- UNIVERSITY RELATIONS	UCM	\$207,200						\$207,200		\$8,916		Y	N	N	5%	N	
KANG, SUNG MO	CHANCELLOR	UCM	\$295,000						\$295,000		\$8,916		Y	Y	N		N	
KOGUT, RICHARD MONROE	ASSOCIATE VICE CHANCELLOR- CHIEF INFORMATION OFFICER	UCM	\$187,700						\$187,700				Y	N	N	5%	N	\$202,500
LAWRENCE, JANE FIORI	VICE CHANCELLOR- STUDENT AFFAIRS	UCM	\$181,800						\$181,800				Y	N	N	5%	N	\$324,000
MILLER, MARY E	VICE CHANCELLOR- ADMINISTRATION	UCM	\$203,500						\$203,500				Y	N	N	5%	N	\$825,000
MILLER, ROBERT BRUCE	UNIVERSITY LIBRARIAN	UCM	\$162,300						\$162,300				Y	N	N	5%	N	
PALLAVICINI, MARIA GEORGINA	DEAN - NATURAL SCIENCES	UCM	\$203,400						\$203,400				Y	N	N		N	
TRAINA, SAMUEL JUSTIN	VICE CHANCELLOR OF RESEARCH AND DEAN OF THE GRADUATE SCHOOL	UCM	\$202,000						\$202,000				Y	N	N		N	\$276,000
WRIGHT, JEFFREY R	DEAN - SCHOOL OF ENGINEERING	UCM	\$202,400						\$202,400				Y	N	N		N	\$350,100
YOUNG, JANET ELIZABETH	ASSOCIATE CHANCELLOR AND CHIEF OF STAFF	UCM	\$180,000						\$180,000				Y	N	N	3%	N	\$210,350
ABBASCHIAN, REZA	DEAN-ENGINEERING	UCR	\$240,500						\$240,500				Y	N	N		N	\$801,000
ALDRICH, DANIEL G.	ACTING VICE CHANCELLOR- UNIVERSITY ADVANCEMENT	UCR	\$250,000						\$250,000		\$8,916		N	N	N		N	
BALDWIN, THOMAS OAKLEY	DEAN-COLLEGE OF NATURAL AND AGRICULTURAL SCIENCES	UCR	\$235,000						\$235,000		\$23,500		Y	N	N		N	
BOLAR, GRETCHEN S.	VICE CHANCELLOR--ACADEMIC PLANNING & BUDGET	UCR	\$197,600						\$197,600				Y	N	N	5%	N	
BOSSERT, STEVEN T.	DEAN-GRADUATE SCHOOL OF EDUCATION	UCR	\$191,900						\$191,900				Y	N	Y		N	\$380,000
BYUS, CRAIG V	DEAN-DIVISION OF BIOMEDICAL SCIENCES	UCR	\$131,800			\$53,100	\$55,000		\$239,900				N	N	N		N	
CHILDERS, JOSEPH	DEAN-GRADUATE DIVISION	UCR	\$172,000						\$172,000				Y	N	N		N	\$224,000
COOKSEY, DONALD A.	FORMER ACTING DEAN-COLLEGE OF NATURAL AND AGRICULTURAL SCIENCES	UCR	\$111,800				\$45,800		\$157,600				N	N	N		N	
COYLE, MICHELE C.	CHIEF CAMPUS COUNSEL/ASSOCIATE GENERAL COUNSEL	UCR	\$193,000						\$193,000				Y	N	N		N	
CULLENBERG, STEPHEN E.	DEAN-COLLEGE OF HUMANITIES, ARTS, & SOCIAL SCIENCES	UCR	\$198,500						\$198,500				Y	N	N		N	\$107,550
DIAZ, ALPHONSO V.	VICE CHANCELLOR- ADMINISTRATION	UCR	\$244,000						\$244,000				Y	N	N	5%	N	\$877,500
DUFFY, SHARON A.	ACTING DEAN-UNIVERSITY EXTENSION	UCR	\$131,994				\$52,006		\$184,000				N	N	N		N	
GREY, ROBERT D.	FORMER ACTING CHANCELLOR	UCR	\$300,000					\$1,064	\$301,064	\$2,228	\$8,916		Y	Y	N		N	
GUZE, PHYLLIS A	ACTING VICE CHANCELLOR MEDICAL SCIENCES AND DEAN SCHOOL OF MEDICINE	UCR	\$126,400			\$180,533			\$306,933				N	N	N		N	
HACKWOOD, SUSAN	SPECIAL ASSISTANT TO THE CHANCELLOR	UCR	\$222,080						\$222,080				N	N	N		N	\$272,250
HARLOW, SUSAN A.	FORMER ACTING VICE CHANCELLOR-UNIVERSITY ADVANCEMENT	UCR	\$192,400				\$38,500		\$230,900				N	N	N		N	
JACKSON, RUTH M.	UNIVERSITY LIBRARIAN	UCR	\$189,300						\$189,300				Y	N	N	5%	N	
LOUIS, CHARLES FRANCIS	VICE CHANCELLOR-RESEARCH	UCR	\$240,000						\$240,000				Y	N	N		N	\$350,000



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RABENSTEIN,DALLAS L.	FORMER DEAN-GRADUATE DIVISION	UCR	\$209,200						\$209,200				Y	N	N		N	
SANDOVAL,JAMES W.	VICE CHANCELLOR--STUDENT AFFAIRS	UCR	\$209,900						\$209,900				Y	N	N	5%	N	
STEWART,DAVID W.	DEAN-A. GARY ANDERSON GRADUATE SCHOOL OF MANAGEMENT	UCR	\$370,000						\$370,000				Y	N	N		N	\$500,000
WARTELLA,ELLEN A.	EXECUTIVE VICE CHANCELLOR AND PROVOST	UCR	\$259,300						\$259,300			\$8,916	Y	N	N		N	\$675,000
WHITE,TIMOTHY P	CHANCELLOR	UCR	\$325,000					\$901	\$325,901	\$2,251	\$25,000	Leased Auto	Y	Y	N		N	
WOOLDRIDGE,JAMES A.	HEAD COACH - MEN'S BASKETBALL	UCR	\$200,000						\$200,000		\$15,417		N	N	N		N	
CARPENTER,DONNA JEAN	VICE CHANCELLOR ADMINISTRATIVE SERVICES	UCSB	\$203,000						\$203,000				Y	N	N	5%	N	
CONOLEY,JANE CLOSE	DEAN OF GEVIRTZ GRADUATE SCHOOL OF EDUCATION	UCSB	\$219,000						\$219,000				Y	N	N		N	\$949,500
CUNNINGHAM,GARY A	ATHLETICS DIRECTOR	UCSB	\$204,999						\$204,999				N	N	N		N	
FRENCH,MARK S	HEAD COACH WOMEN'S BASKETBALL	UCSB	\$172,475					\$5,000	\$177,475				N	N	N		N	
GAINES,STEVEN	ACTING DEAN, MATHEMATICAL, LIFE AND PHYSICAL SCIENCES	UCSB	\$167,388				\$39,260		\$206,648				N	N	N		N	
GOSSARD,ARTHUR	ASSOCIATE VICE CHANCELLOR FOR ACADEMIC PERSONNEL	UCSB	\$255,000						\$255,000				Y	N	N		N	\$200,000
GOTTLIEB,LINDSAY C	HEAD COACH WOMEN'S BASKETBALL	UCSB	\$155,000						\$155,000				N	N	N		N	
HARRIS,HELEN	DEAN OF STUDENTS	UCSB	\$155,333						\$155,333				N	N	N		N	
JOHNSON,BRENDA L	UNIVERSITY LIBRARIAN	UCSB	\$195,000						\$195,000	\$15,603	\$17,875		Y	N	N		N	
LUCAS,GLENN E	EXECUTIVE VICE CHANCELLOR	UCSB	\$267,900						\$267,900			\$8,916	Y	N	N		N	
LYTLE,LOY D	DEAN OF EXTENDED LEARNING SERVICES AND SUMMER SESSIONS	UCSB	\$156,400						\$156,400				N	N	N		N	
MARSHALL,DAVID B	EXECUTIVE DEAN COLLEGE OF LETTERS & SCIENCE, DEAN, DIVISION OF HUMANITIES AND FINE ARTS	UCSB	\$217,900				\$40,000	\$18,158	\$276,058				Y	N	N		N	
MASSARI,MARK W	DIRECTOR OF INTERCOLLEGIATE ATHLETICS	UCSB	\$200,000						\$200,000		\$50,000		N	N	N		N	
MORRISON,GALE M	DEAN - GRADUATE DIVISION	UCSB	\$172,000						\$172,000				Y	N	N		N	
NISBET,MARY	ACTING DEAN, UNDERGRADUATE EDUCATION	UCSB	\$129,260				\$38,778		\$168,038				N	N	N		N	
OLIVER,MELVIN L	DEAN, DIVISION OF SOCIAL SCIENCES	UCSB	\$213,900					\$17,825	\$231,725				Y	N	N		N	\$1,000,000
PUTNAM,THOMAS MILTON	ASSOCIATE VICE CHANCELLOR - INFORMATION TECHNOLOGY AND CHIEF INFORMATION OFFICER	UCSB	\$200,000						\$200,000		\$19,583		Y	N	N	5%	N	
SOBEK,MARIA HERRERA	ASSOCIATE VICE CHANCELLOR FOR DIVERSITY, EQUITY, AND ACADEMIC POLICY	UCSB	\$225,000						\$225,000				Y	N	N		N	
TIFFNEY,BRUCE H	DEAN OF COLLEGE OF CREATIVE STUDIES	UCSB	\$153,000						\$153,000				Y	N	N		N	
TIRRELL,MATTHEW V	DEAN OF THE COLLEGE OF ENGINEERING	UCSB	\$270,900					\$22,575	\$293,475				Y	N	N		N	
TOBIN,RONALD W	ASSOCIATE VICE CHANCELLOR FOR ACADEMIC PROGRAMS	UCSB	\$172,520						\$172,520				N	N	N		N	
VON WEIZSACKER,ERNST ULRICH	DEAN OF THE BREN SCHOOL OF ENVIRONMENTAL SCIENCE & MANAGEMENT	UCSB	\$216,000						\$216,000				Y	N	N		N	
WIEMANN,JOHN M	VICE CHANCELLOR FOR INSTITUTIONAL ADVANCEMENT	UCSB	\$216,400						\$216,400			\$8,916	Y	N	N	5%	N	
WILLIAMS,ROBERT ALLEN	HEAD COACH MEN'S BASKETBALL	UCSB	\$195,270					\$48,000	\$243,270				N	N	N		N	
WILTZIUS,PIERRE E	THE SUSAN AND BRUCE WORSTER DEAN OF SCIENCE	UCSB	\$255,000						\$255,000	\$2,500	\$63,750		Y	N	N		N	
WITHERELL,MICHAEL S	VICE CHANCELLOR FOR RESEARCH	UCSB	\$246,300						\$246,300				Y	N	N		N	
WYNER,ALAN J	DEAN OF UNDERGRADUATE STUDIES, COLLEGE OF LETTERS & SCIENCE	UCSB	\$164,300						\$164,300				Y	N	N		N	
YANG,HENRY T.	CHANCELLOR	UCSB	\$315,000						\$315,000			\$8,916	Y	Y	N	5%	N	
YOUNG,MICHAEL D	VICE CHANCELLOR FOR STUDENT AFFAIRS	UCSB	\$195,700						\$195,700				Y	N	N	5%	N	
BLUMENTHAL,GEORGE R	CHANCELLOR	UCSC	\$310,000						\$310,000			\$8,916	Y	Y	N		N	
DEAN,CAROLYN	FORMER ACTING DEAN-DIVISION OF THE ARTS	UCSC	\$92,500				\$30,833		\$123,333				N	N	N		N	\$79,950
DOYLE,MARY M	VICE CHANCELLOR, INFORMATION TECHNOLOGY	UCSC	\$214,000						\$214,000	\$6,607	\$53,500		Y	N	N	5%	N	
GALLOWAY,ALISON	VICE PROVOST, ACADEMIC AFFAIRS	UCSC	\$171,600				\$16,000		\$187,600				Y	N	N		N	
ISAACSON,MICHAEL SAUL	ACTING DEAN SCHOOL OF ENGINEERING	UCSC	\$206,233				\$41,247		\$247,480				N	N	N		N	\$679,500
JED,MEREDITH M	VICE CHANCELLOR, PLANNING AND BUDGET	UCSC	\$195,700						\$195,700				Y	N	N	5%	N	
JONES,DAVID EVAN	ACTING DEAN OF THE ARTS	UCSC	\$102,222				\$15,334	\$33,549	\$151,105				N	Y	N		N	
KAMIENIECKI,SHELDON	DEAN, SOCIAL SCIENCES	UCSC	\$189,000						\$189,000				Y	N	N		N	\$1,000,000



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KLIGER, DAVID S	CAMPUS PROVOST AND EXECUTIVE VICE CHANCELLOR	UCSC	\$255,600						\$255,600			\$8,916	Y	N	N	5%	N	
LADUSAW, WILLIAM A	VICE PROVOST AND DEAN, UNDERGRADUATE EDUCATION	UCSC	\$187,300						\$187,300				Y	N	N		N	
MARGON, BRUCE H	VICE CHANCELLOR - RESEARCH	UCSC	\$228,800						\$228,800				Y	N	N		N	\$1,000,000
MC GINTY, FELICIA ELAINE	VICE CHANCELLOR, STUDENT AFFAIRS	UCSC	\$200,000						\$200,000	\$12,959			Y	N	N	5%	N	
MERKLEY, CALVIN L	FORMER VICE PROVOST, INFORMATION TECHNOLOGY	UCSC	\$201,100						\$201,100				Y	N	N		N	
MORSE, MARGARET E	FORMER ACTING DEAN - ARTS DIVISION	UCSC	\$132,000				\$19,800		\$151,800				N	N	N		N	
MURPHY, DONNA MARIE	VICE CHANCELLOR, UNIVERSITY RELATIONS	UCSC	\$214,100						\$214,100		\$10,160	\$8,916	Y	N	N	5%	N	\$760,000
ROSSI, CAROLE ROSEMARIE	CHIEF CAMPUS COUNSEL AND ASSOCIATE GENERAL COUNSEL	UCSC	\$188,754						\$188,754	\$9,955			Y	N	N	5%	N	
SLOAN, LISA	VICE PROVOST AND DEAN, GRADUATE STUDIES	UCSC	\$156,900						\$156,900				Y	N	N		N	
STEEL, VIRGINIA	UNIVERSITY LIBRARIAN	UCSC	\$170,900						\$170,900		\$7,000		Y	N	N		N	\$1,049,000
THORSETT, STEPHEN E	DEAN, PHYSICAL AND BIOLOGICAL SCIENCES	UCSC	\$203,300						\$203,300				Y	N	N		N	
VAN DEN ABEELE, GEORGES Y	DEAN, HUMANITIES	UCSC	\$189,000						\$189,000				Y	N	N		N	
VANI, THOMAS	VICE CHANCELLOR, BUSINESS AND ADMINISTRATIVE SERVICES	UCSC	\$226,100						\$226,100				Y	N	N	5%	N	\$310,500
ADLER, STEVEN	PROVOST, EARL WARREN COLLEGE	UCSD	\$140,200						\$140,200				Y	N	N		N	
BABAKIAN, EDWARD	CHIEF INFORMATION OFFICER - UCSD HEALTHCARE	UCSD	\$284,200	\$42,630	CEMRP: Approved by the Regents November 2008				\$326,830				Y	N	N	5%	N	
BAGGETT, MARGARITA M	CHIEF PATIENT CARE SERVICES OFFICER, UCSD MEDICAL CENTER	UCSD	\$252,000	\$37,800	CEMRP: Approved by the Regents November 2008				\$289,800				Y	N	N	5%	N	
BARRETT, JOHN GREGORY	ASSOC VC-DEVELOPMENT, HEALTH SCIENCES	UCSD	\$220,000						\$220,000	\$10,770			N	N	N		N	
BARRETT, KIM ELAINE	DEAN - GRADUATE STUDIES	UCSD	\$174,900						\$174,900				Y	N	N		N	
BRENNER, DAVID ALLEN	VICE CHANC - HEALTH SCI AND DEAN, SCHOOL OF MEDICINE	UCSD	\$621,000			\$220,000			\$741,000		\$31,250		Y	N	N		N	
CORNELIUS, ANN LORRAINE	PROVOST, ELEANOR ROOSEVELT COLLEGE	UCSD	\$139,400						\$139,400				Y	N	N	3%	N	
COWHEY, PETER F.	DEAN-GRADUATE SCHOOL OF INTERNATIONAL RELATIONS & PACIFIC STUDIES	UCSD	\$190,600				\$28,590		\$219,190				Y	N	N		N	\$710,000
CRAIG, PAUL A	CHIEF RISK MANAGEMENT AND PATIENT SAFETY OFFICER	UCSD	\$201,600	\$30,240	CEMRP: Approved under local authority; Reported to the Regents in November 2008 Bi-monthly Transaction Report		\$20,160		\$252,000				N	N	N		N	
DRAKE, PAUL W	SENIOR VICE CHANCELLOR - ACADEMIC AFFAIRS	UCSD	\$300,000						\$300,000			\$8,916	Y	N	N	5%	N	
ELLIS, ARTHUR BARON	VICE CHANCELLOR-RESEARCH	UCSD	\$251,100						\$251,100				Y	N	N		N	
ELMAN, JEFFREY L.	FORMER ACTING DEAN-DIVISION OF SOCIAL SCIENCES	UCSD	\$241,244				\$30,879		\$272,123				N	N	N		N	\$958,150
ELMAN, JEFFREY L.	DEAN - DIVISION OF SOCIAL SCIENCES	UCSD	\$277,400						\$277,400				Y	N	N		N	\$958,150
ESPIRITU, RONALDO G.	ASSISTANT VICE CHANCELLOR FOR BUSINESS AND FISCAL AFFAIRS	UCSD	\$221,600	\$21,760	Other: Clinical Senior Leaders Recognition Plan; award being repaid pending resolution of bonus/incentive status and authority to pay award.				\$243,360				N	N	N		N	
FOX, MARYE ANNE	CHANCELLOR	UCSD	\$392,200					\$985	\$393,185			\$8,916	Y	Y	N		N	
GIDDINGS, LELAND M	CHIEF COMPLIANCE OFFICER, PRIVACY OFFICER, AND MEDICAL DIRECTOR FOR CLINICAL RESOURCE MANAGEMENT	UCSD	\$233,200	\$34,980	CEMRP: Approved by the Regents November 2008				\$268,180				Y	N	N	5%	N	
HAVIS, ALLAN	PROVOST, THURGOOD MARSHALL COLLEGE	UCSD	\$144,300						\$144,300				Y	N	N		N	
HAYMET, ANTHONY DOUGLAS JOHN	VICE CHANCELLOR-MARINE SCIENCES, DEAN OF THE GRADUATE SCHOOL OF MARINE SCIENCES & DIRECTOR SCRIPPS INSTITUTION OF OCEANOGRAPHY	UCSD	\$261,500						\$261,500				Y	N	N		N	\$1,000,000
HELLMANN, MAXWELL BOONE	ASSOC. VICE CHANCELLOR-FACILITIES DESIGN & CONSTRUCTION	UCSD	\$197,600						\$197,600				Y	N	N	3%	N	
HOPFERBER, SCOTT S.	CHIEF OPERATING OFFICER - UCSD MEDICAL GROUP	UCSD	\$212,700	\$30,660	CEMRP: Approved by the Regents November 2008				\$243,360				Y	N	N	5%	N	
HOGAN, ROBERT W.	CHIEF FINANCIAL OFFICER-UCSD MEDICAL CENTER	UCSD	\$258,500	\$37,515	CEMRP: Approved by the Regents November 2008				\$296,015				Y	N	N	5%	N	
JACKIEWICZ, THOMAS EDWARD	ASSOCIATE VICE CHANCELLOR AND CHIEF FINANCIAL OFFICER - HEALTH SCIENCES	UCSD	\$490,000	\$73,500	CEMRP: Approved by the Regents November 2008				\$563,500				Y	N	N	5%	N	
KAY, STEVE A	DEAN - DIVISION OF BIOLOGICAL SCIENCES	UCSD	\$250,000						\$250,000				Y	N	N		N	



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KRAUS, DAVID V.	CHIEF CONTRACTING OFFICER-MEDICAL CENTER	UCSD	\$210,000	\$16,042	Other: Local medical center management incentive program.			\$5,000	\$231,042				N	N	N		N	
LARSEN, JULIANNE JOY	ACTING ASSOC VC UNIVERSITY DEVELOPMENT	UCSD	\$174,200				\$26,130		\$200,330				N	N	N		N	
LARSEN, JULIANNE JOY	ASSOC VC UNIVERSITY DEVELOPMENT	UCSD	\$230,000						\$230,000				N	N	N		N	
LARSON, DONALD A.	ASSISTANT VICE CHANCELLOR-BUSINESS AND FINANCIAL SERVICES, CONTROLLER	UCSD	\$159,300						\$159,300				Y	N	N	3%	N	
LIEKWEG, RICHARD J	ASSOCIATE VICE CHANCELLOR AND CHIEF EXECUTIVE OFFICER-UCSD MEDICAL CENTER	UCSD	\$660,500	\$88,725	CEMRP: Approved by the Regents November 2008				\$749,225			\$8,916	Y	N	N	5%	N	
MATTHEWS, GARY CLIFFORD	VICE CHANCELLOR - RESOURCE MANAGEMENT AND PLANNING	UCSD	\$225,000						\$225,000				Y	N	N	5%	N	
MCAFEE, THOMAS VARDON	DEAN - CLINICAL AFFAIRS, HEALTH SCIENCES	UCSD	\$447,200	\$67,080	CEMRP: Approved by the Regents November 2008				\$514,280				Y	N	N	5%	N	
MORAN, DENNIS J	CHIEF PROFESSIONAL SERVICES OFFICER	UCSD	\$212,700	\$29,700	CEMRP: Approved by the Regents November 2008				\$242,400				Y	N	N	3%	N	
NEUMAN, DEBRA G.	VICE CHANCELLOR-EXTERNAL RELATIONS	UCSD	\$295,000						\$295,000	\$31,360	\$36,875	\$8,916	Y	N	N	5%	N	
NEWMAN, REBECCA	FORMER ASSOCIATE VICE CHANCELLOR-DEVELOPMENT	UCSD	\$216,400						\$216,400				N	N	N		N	
ORESKE, NAOMI	PROVOST-SIXTH COLLEGE	UCSD	\$185,600						\$185,600				Y	N	N		N	
PARK, DANIEL W	CHIEF CAMPUS COUNSEL AND ASSOCIATE GENERAL COUNSEL	UCSD	\$207,500					\$2,400	\$209,900				Y	N	N	5%	N	
RELYEA, STEVEN	FORMER ACTING VICE CHANCELLOR EXTERNAL RELATIONS	UCSD	\$240,000				\$45,000		\$285,000				Y	N	N	5%	N	
RELYEA, STEVEN	VICE CHANCELLOR-BUSINESS AFFAIRS	UCSD	\$240,000						\$240,000				Y	N	N	5%	N	
RUE, HENRIETTA ELIZABETH	VICE CHANCELLOR - STUDENT AFFAIRS	UCSD	\$215,000						\$215,000		\$13,438		Y	N	N	5%	N	\$819,900
SCHOTTLAENDER, BRIAN E.	UNIVERSITY LIBRARIAN	UCSD	\$208,000						\$208,000				Y	N	N	5%	N	\$351,000
SCIOSCIA, ANGELA LYNN	CHIEF MEDICAL OFFICER	UCSD	\$374,800	\$47,250	CEMRP: Approved by the Regents November 2008				\$422,050				Y	N	N	5%	N	
SEIBLE, FRIEDER	DEAN - JACOBS SCHOOL OF ENGINEERING	UCSD	\$326,100						\$326,100				Y	N	N		N	
SHEFFIELD, SHAWN TIFFANY	ASSIST VICE CHANCELLOR-RESOURCE STRATEGY & PLANNING, HEALTH SCIENCES	UCSD	\$215,000						\$215,000				N	N	N		N	
SMITH, SUSAN L	PROVOST, JOHN MUIR COLLEGE	UCSD	\$120,100						\$120,100				Y	N	N		N	
SONNENSHEIN, MONA L	CHIEF OPERATING OFFICER, UCSD MEDICAL CENTER	UCSD	\$514,700	\$47,610	CEMRP: Approved by the Regents November 2008				\$562,310				Y	N	N	5%	N	\$451,950
SULLIVAN, ROBERT S.	DEAN - RADY SCHOOL OF MANAGEMENT	UCSD	\$342,800						\$342,800				Y	N	N		N	
TAYLOR, PALMER W.	ASSOC VICE CHANCELLOR HEALTH SCIENCES AND FOUNDING DEAN-SCHOOL OF PHARMACY AND PHARMACEUTICAL SCIENCES	UCSD	\$317,400	\$47,610	CEMRP: Approved by the Regents November 2008				\$365,010				Y	N	N		N	
THIEMENS, MARK H	DEAN - DIVISION OF PHYSICAL SCIENCES	UCSD	\$297,400					\$22,117	\$319,517				Y	N	N		N	\$434,200
WALSHOK, MARY LINDENSTEIN	ASSOC VICE CHAN. EXTENDED STUDIES AND PUBLIC SERVICE, DEAN-UNIVERSITY EXTENSION	UCSD	\$169,700					\$2,031	\$171,731				Y	N	N	5%	N	
WULBERT, DANIEL E.	PROVOST, REVELLE COLLEGE	UCSD	\$153,300						\$153,300				Y	N	N		N	
YOUNG, ERIC VAN	FORMER ACTING DEAN - DIVISION OF ARTS AND HUMANITIES	UCSD	\$188,344				\$15,919		\$204,263				N	N	N		N	
ANTRUM, SHEILA E	CHIEF PATIENT CARE SERVICES OFFICER, MEDICAL CENTER	UCSF	\$250,000	\$13,500	CEMRP: Approved by the Regents November 2008				\$263,500	\$7,651	\$18,542		Y	N	N	5%	N	
ASP, JAMES W	FORMER ASSOCIATE VICE CHANCELLOR-UNIVERSITY DEVELOPMENT & ALUMNI RELATIONS	UCSF	\$251,900						\$251,900				N	N	N		N	
AUTRY, SUSAN A	EXECUTIVE DIRECTOR-CLINICAL AND TRANSLATIONAL SCIENCE INSTITUTE	UCSF	\$218,600						\$218,600				N	N	N		N	
BADE, MICHAEL G	INTERIM ASSISTANT VICE CHANCELLOR-CAPITAL PROJECTS AND CAMPUS ARCHITECT	UCSF	\$176,800	\$8,757	Other: Approved under local authority. Total potential cash compensation at time of approval was below ICL of \$205,000. Stipend began 10/01/08, bringing salary over ICL.		\$26,520		\$212,077				N	N	N		N	
BARCLAY, STEPHEN J	SENIOR VICE CHANCELLOR-RESOURCE MANAGEMENT AND CAPITAL PROJECTS	UCSF	\$216,480						\$216,480				N	N	N		N	\$1,192,250
BARCLAY, STEPHEN J	FORMER SENIOR VICE CHANCELLOR-FINANCE AND ADMINISTRATION	UCSF	\$360,800						\$360,800			\$8,916	Y	N	N	5%	N	\$1,192,250



ANNUAL REPORT ON EXECUTIVE COMPENSATION FOR CALENDAR YEAR 2008

Name	Title	Location	Annualized Base Salary	All Actual Bonus/Incentive Payments	Bonus/Incentive Comments	Total Actual Health Science Compensation	Annualized Stipend	Other Cash Compensation or Payments	Subtotal: Cash Compensation	Moving Costs (Reimbursement)	Allowances: Housing, Relo, Recruitment	Auto Allowance	SMG Benefits	UC Provided Housing	Severance Benefits	SMG Supp Benefit	Additional Post-Retirement Benefits	UC Provided Home Mortgage
BENNAN, JAMES	ADMINISTRATIVE DIRECTOR- PERIOPERATIVE SERVICES, MEDICAL CENTER	UCSF	\$192,600					\$6,646	\$199,246				N	N	N		N	
BISHOP, JOHN M	CHANCELLOR	UCSF	\$402,200						\$402,200			\$ 516	Y	Y	N		N	
BLUESTONE, JEFFREY	INTERIM VICE CHANCELLOR - RESEARCH	UCSF	\$197,600			\$156,000			\$353,600				N	N	N		N	
BREZMAN, IRENE L	DIRECTOR-INFORMATION TECHNOLOGY APPLICATION, MEDICAL CENTER	UCSF	\$228,300						\$228,300				N	N	N		N	
BUTTER, KAREN A	UNIVERSITY LIBRARIAN & ASSISTANT VICE CHANCELLOR	UCSF	\$247,700						\$247,700				Y	N	N	5%	N	
CAFFEY, MARIE P	DEPARTMENT MANAGER - PSYCHIATRY & LANGLEY PORTER PSYCHIATRIC INSTITUTE	UCSF	\$199,400						\$199,400				N	N	N		N	
CALARCO, PATRICIA G	DEAN-GRADUATE DIVISION	UCSF	\$200,000						\$200,000				Y	N	N		N	
CANNING, MARCIA J	CHIEF CAMPUS COUNSEL/ASSOCIATE GENERAL COUNSEL	UCSF	\$234,210						\$234,210				Y	N	N	5%	N	
CHAPMAN, JOHN	EXECUTIVE DIRECTOR-CLINICAL SERVICES, MEDICAL CENTER	UCSF	\$220,000				\$24,102	\$11,801	\$255,903				N	N	N		N	
CHRISMAN, MAYE C.	CHIEF OPERATING OFFICER AND INTERIM CHIEF FINANCIAL OFFICER, DEPARTMENT OF MEDICINE, SCHOOL OF MEDICINE	UCSF	\$195,200				\$29,280		\$224,480				N	N	N		N	
CLAUDIO, JOSE R	DIRECTOR-INFRASTRUCTURE SERVICES, MEDICAL CENTER	UCSF	\$219,900						\$219,900				N	N	N		N	
COX, JULIE M	DIRECTOR-INFORMATION TECHNOLOGY, CUSTOMER SERVICE, MEDICAL CENTER	UCSF	\$220,400						\$220,400				N	N	N		N	
CZECH, JANE	DIRECTOR OF ADMINISTRATION-NEUROLOGY	UCSF	\$179,000	\$19,318	Other: Approved under local authority; Total cash compensation under ICL of \$205,000. Included in report due to max potential TCC.				\$198,318	\$8,520			N	N	N		N	
DRACUP, KATHLEEN A	DEAN-SCHOOL OF NURSING	UCSF	\$290,000			\$60,000			\$350,000				Y	N	N		N	\$972,600
EHLERS, MARIO R	DEPUTY DIRECTOR-CLINICAL TRIALS GROUP, IMMUNE TOLERANCE NETWORK	UCSF	\$225,000						\$225,000	\$10,027	\$39,375		N	N	N		N	
ELLISON, WANDA	INTERIM ASSISTANT VICE CHANCELLOR - RESEARCH	UCSF	\$167,232	\$16,723	Other: Approved under local authority. Total potential cash compensation at time of approval was below ICL of \$205,000. Stipend began 11/01/08, bringing salary over ICL.		\$33,446		\$217,401				N	N	N		N	
FAWLEY, REECE I	EXECUTIVE DIRECTOR-HEALTH PLAN STRATEGY & REVENUE MANAGEMENT, MEDICAL CENTER	UCSF	\$247,700	\$17,580	CEMRP: Approved under local authority; Reported to the Regents in November 2008 Bi-monthly Transaction Report				\$265,287				N	N	N		N	
FEATHERSTONE, JOHN DB	DEAN-SCHOOL OF DENTISTRY	UCSF	\$300,000			\$50,000			\$350,000				Y	N	N		N	\$980,000
FELLOURIS, MARA	EXECUTIVE DIRECTOR-PROGRAM MANAGEMENT OFFICE	UCSF	\$202,200						\$202,200				N	N	N		N	
FERNANDES, ROXANNE	EXECUTIVE DIRECTOR-CHILDREN'S HOSPITAL, MEDICAL CENTER	UCSF	\$263,200					\$4,617	\$267,817				N	N	N		N	
FRENCH, BARBARA J.	ASSOCIATE VICE CHANCELLOR-UNIVERSITY RELATIONS	UCSF	\$251,900						\$251,900				N	N	N		N	
HAMILTON, CECILIA A	ASSISTANT VICE CHANCELLOR AND CONTROLLER	UCSF	\$235,000						\$235,000	\$11,689			N	N	N		N	
HARRIS, JOHN P	CHIEF STRATEGY & BUSINESS DEVELOPMENT OFFICER, MEDICAL CENTER	UCSF	\$298,800	\$12,414	CEMRP: Approved by the Regents November 2008				\$311,214				Y	N	N	5%	N	
HAWGOOD, SAMUEL	INTERIM DEAN, SCHOOL OF MEDICINE	UCSF	\$192,300			\$195,475	\$181,425		\$569,200				N	N	N		N	
HAWKINS, ANGELA M.	EXECUTIVE DIRECTOR-BUDGET & RESOURCE MANAGEMENT	UCSF	\$195,200	\$9,662	Other: Approved under local authority; Total cash compensation under ICL of \$205,000. Included in report due to max potential TCC.				\$204,862				N	N	N		N	
HINDERY, MICHAEL A	VICE DEAN-ADMINISTRATION, FINANCE, AND CLINICAL PROGRAMS, SCHOOL OF MEDICINE	UCSF	\$335,000					\$32,000	\$367,000				Y	N	N	5%	N	
HSU, STELLA Y	ASSOCIATE VICE CHANCELLOR-CAMPUS LIFE SERVICES AND INTERIM ASSOCIATE VICE CHANCELLOR-FACILITIES MANAGEMENT	UCSF	\$207,570				\$27,430		\$235,000				N	N	N		N	
IDE, MARY B	DIRECTOR-QUALITY SERVICES, MEDICAL CENTER	UCSF	\$188,200						\$188,200				N	N	N		N	



ANNUAL REPORT ON EXECUTIVE COMPENSATION FOR CALENDAR YEAR 2008

Name	Title	Location	Annualized Base Salary	All Actual Bonus/Incentive Payments	Bonus/Incentive Comments	Total Actual Health Science Compensation	Annualized Stipend	Other Cash Compensation or Payments	Subtotal: Cash Compensation	Moving Costs (Reimbursement)	Allowances: Housing, Relo, Recruitment	Auto Allowance	SMG Benefits	UC Provided Housing	Severance Benefits	SMG Supp Benefit	Additional Post-Retirement Benefits	UC Provided Home Mortgage
IRWIN,MICHAEL D	INTERIM ASSOCIATE VICE CHANCELLOR-UNIVERSITY DEVELOPMENT AND ALUMNI RELATIONS	UCSF	\$181,600	\$9,080	Other: Approved under local authority. Total potential cash compensation at time of approval was below ICL of \$205,000. Stipend began 09/20/08, bringing salary over ICL.		\$36,320		\$227,000				N	N	N		N	
JONES,KENNETH M	CHIEF FINANCIAL OFFICER, MEDICAL CENTER	UCSF	\$470,200	\$22,265	CEMRP: Approved by the Regents November 2008				\$492,465				Y	N	Y	5%	N	
KIMBLE,MARY ANNE	DEAN-SCHOOL OF PHARMACY	UCSF	\$290,000			\$60,000			\$350,000				Y	N	N	5%	N	
KWAN,LUCIA	DIRECTOR-REVENUE CYCLE SERVICES, MEDICAL CENTER	UCSF	\$199,650					\$4,326	\$203,976				N	N	N		N	
LARET,MARK R	CHIEF EXECUTIVE OFFICER, MEDICAL CENTER	UCSF	\$739,700	\$30,389	CEMRP: Approved by the Regents November 2008				\$770,089			\$8,916	Y	N	N	5%	N	
LIMA,CYNTHIA G	EXECUTIVE DIRECTOR-ADMINISTRATION, MEDICAL CENTER	UCSF	\$221,200	\$17,696	CEMRP: Approved under local authority; Reported to the Regents in November 2008 Bi-monthly Transaction Report				\$238,896				N	N	N		N	
LOPEZ,RANDY L	INTERIM VICE CHANCELLOR-FINANCE AND ADMINISTRATION	UCSF	\$277,500				\$41,625		\$319,125				Y	N	N	5%	N	
LOTENERO,LAWRENCE J	CHIEF INFORMATION OFFICER, MEDICAL CENTER	UCSF	\$310,800	\$1,865	CEMRP: Approved by the Regents November 2008				\$312,665				Y	N	Y	5%	N	\$836,600
MAHANEY,TIMOTHY M	EXECUTIVE DIRECTOR-SUPPORT SERVICES, MEDICAL CENTER	UCSF	\$247,700	\$18,330	CEMRP: Approved under local authority; Reported to the Regents in November 2008 Bi-monthly Transaction Report			\$10,452	\$276,482				N	N	N		N	
MARSHALL,SALLY J	VICE PROVOST-ACADEMIC AFFAIRS	UCSF	\$244,900			\$16,300			\$261,200				Y	N	N		N	
MOORE,SUSAN B	DIRECTOR-FINANCE AND ACCOUNTING, MEDICAL CENTER	UCSF	\$234,500	\$16,415	CEMRP: Approved under local authority; Reported to the Regents in November 2008 Bi-monthly Transaction Report				\$250,915				N	N	N		N	
MORGAN,DAVID R.	EXECUTIVE DIRECTOR-AMBULATORY CARE SERVICES, MEDICAL CENTER	UCSF	\$262,000	\$17,816	CEMRP: Approved under local authority; Reported to the Regents in November 2008 Bi-monthly Transaction Report			\$1,907	\$281,723				N	N	N		N	
NADAF-RAHROV,SORENA	CHIEF INFORMATICS OFFICER-CANCER CENTER	UCSF	\$185,000					\$1,000	\$186,000	\$13,672	\$46,250		N	N	N		N	
ODATO,DAVID	EXECUTIVE DIRECTOR-PATIENT & EMPLOYEE SERVICES, MEDICAL CENTER	UCSF	\$264,400	\$19,566	CEMRP: Approved under local authority; Reported to the Regents in November 2008 Bi-monthly Transaction Report			\$10,138	\$294,104				N	N	N		N	
PAULSEN,LYNN	DIRECTOR-PHARMACY SERVICES, MEDICAL CENTER	UCSF	\$218,000						\$218,000				N	N	N		N	
PECKENPAUGH,RUSSELL L	DIRECTOR-INFORMATION TECHNOLOGY, MEDICAL CENTER	UCSF	\$228,600					\$9,200	\$237,800				N	N	N		N	
PURCELL,ALEXIS H	FORMER SENIOR ASSOCIATE DEAN-ADMINISTRATION & FINANCE, SCHOOL OF DENTISTRY	UCSF	\$189,800	\$28,470	Other: Approved under local authority and paid 10/10/08. School of Dentistry Management Incentive Plan				\$218,270				N	N	N		N	
RAGO,KAREN A	EXECUTIVE DIRECTOR-SERVICE LINE ADMINISTRATION AND DIRECTOR-CARDIOVASCULAR SERVICES, MEDICAL CENTER	UCSF	\$225,000						\$225,000				N	N	N		N	
REAVES,JOHN W	DIRECTOR-INFORMATION TECHNOLOGY PROJECT MANAGEMENT, MEDICAL CENTER	UCSF	\$201,467						\$201,467	\$5,447			N	N	N		N	
REIN,DAVID	INTERIM CLINICAL COMPLIANCE OFFICER AND DIRECTOR-FACULTY MEDICAL GROUP, SCHOOL OF MEDICINE	UCSF	\$179,400				\$26,910		\$206,310				N	N	N		N	
RICKLEY,JOANN B	DIRECTOR-PERIOPERATIVE PATIENT CARE, MEDICAL CENTER	UCSF	\$195,600						\$195,600				N	N	N		N	
RING,ERNEST J	FORMER CHIEF MEDICAL OFFICER, MEDICAL CENTER	UCSF	\$409,500	\$32,760	CEMRP: Approved by the Regents November 2008				\$442,260				Y	N	N		N	
ROBERTS,CLIFFORD	INTERIM ASSOCIATE VICE CHANCELLOR-RESEARCH	UCSF	\$205,000				\$41,000		\$246,000				N	N	N		N	
RYBA,TOMI	CHIEF OPERATING OFFICER, MEDICAL CENTER	UCSF	\$547,600	\$25,190	CEMRP: Approved by the Regents November 2008				\$572,790				Y	N	N	5%	N	\$1,535,000
SCHNETZLER,GRETA	CHIEF HEALTH SCIENCES COUNSEL	UCSF	\$200,930	\$6,883	Other: Approved under local authority; Total cash compensation under ICL of \$205,000 at time of approval. OGC system-wide equities increased base salary over ICL. Included in report due to max potential TCC.				\$207,813				N	N	N		N	
SHOWSTACK,JONATHAN A	ASSISTANT VICE CHANCELLOR & CHIEF INFORMATION OFFICER	UCSF	\$247,700						\$247,700				Y	N	N	5%	N	



ANNUAL REPORT ON EXECUTIVE COMPENSATION FOR CALENDAR YEAR 2006

Name	Title	Location	Annualized Base Salary	All Actual Bonus/Incentive Payments	Bonus/Incentive Comments	Total Actual Health Science Compensation	Annualized Stipend	Other Cash Compensation or Payments	Subtotal: Cash Compensation	Moving Costs (Reimbursement)	Allowances: Housing, Relo, Recruitment	Auto Allowance	SMG Benefits	UC Provided Housing	Severance Benefits	SMG Supp Benefit	Additional Post-Retirement Benefits	UC Provided Home Mortgage
SPARKMAN, ANN	PRINCIPAL COUNSEL	UCSF	\$200,930	\$6,883	Other: Approved under local authority; Total cash compensation under ICL of \$205,000 at time of approval. OGC system-wide equities increased base salary over ICL. Included in report due to max potential TCC.				\$207,813				N	N	N		N	
SPAULDING, BRUCE W	SENIOR VICE CHANCELLOR- UNIVERSITY ADVANCEMENT & PLANNING	UCSF	\$376,600						\$376,600			\$8,916	Y	N	N	5%	N	\$273,800
SPICER, JOAN	ADMINISTRATIVE DIRECTOR- HOME HEALTH CARE, MEDICAL CENTER	UCSF	\$188,300						\$188,300				N	N	N		N	
TYBURSKI, LAWRENCE M	DIRECTOR-CAMPUS HUMAN RESOURCES	UCSF	\$228,400						\$228,400				N	N	N		N	
UIBEL, ISABEL C	DIRECTOR-PATIENT CARE, MEDICAL CENTER	UCSF	\$190,800						\$190,800				N	N	N		N	
VERMILLION, ERIC B	ASSOCIATE VICE CHANCELLOR- FINANCE	UCSF	\$277,500				\$20,813		\$298,313				Y	N	N	5%	N	
WASHINGTON, A EUGENE	EXECUTIVE VICE CHANCELLOR & PROVOST	UCSF	\$385,300			\$52,300		\$13,194	\$450,794			\$8,916	Y	N	N		N	
WIESENTHAL, STEVEN M	FORMER ASSOCIATE VICE CHANCELLOR-CAPITAL PROJECTS & FACILITIES MANAGEMENT	UCSF	\$234,600					\$1,999	\$236,599			\$ 443	N	N	N		N	
WISSMILLER, ANDREW P	FORMER DIRECTOR- INFORMATION TECHNOLOGY SYSTEMS, OFFICE OF ACADEMIC & ADMINISTRATIVE INFORMATION SYSTEMS	UCSF	\$198,400						\$198,400				N	N	N		N	
WOLITZKY, BARRY	CHIEF OPERATING OFFICER- IMMUNE TOLERANCE NETWORK	UCSF	\$195,000						\$195,000				N	N	N		N	
WONG, JANE Y.	INTERIM CHIEF OPERATING OFFICER AND DEPUTY CHIEF INFORMATION OFFICER	UCSF	\$199,800				\$19,980		\$219,780				N	N	N		N	
YAMAUCHI, LORI L	ASSISTANT VICE CHANCELLOR- CAMPUS PLANNING	UCSF	\$230,600	\$23,060	Other: Staff Recognition and Development Program (SRDP) payment issued October 31, 2008, prior to Regents salary freeze item from January 14, 2009.				\$253,660				N	N	N		N	
ALLEN-DIAZ, BARBARA H	ASSISTANT VICE PRESIDENT - PROGRAMS, AGRICULTURE AND NATURAL RESOURCES	ANR	\$180,000						\$180,000				Y	N	N		N	
DOOLEY, DANIEL M.	INTERIM SENIOR VICE PRESIDENT-EXTERNAL RELATIONS AND VICE PRESIDENT AGRICULTURE AND NATURAL RESOURCES	ANR	\$320,000				\$50,000		\$370,000			\$8,916	Y	N	N	5%	N	
STANDIFORD, RICHARD B.	ASSOCIATE VICE PRESIDENT	ANR	\$181,500						\$181,500				Y	N	N	5%	N	
TABER, KAY H	ASSISTANT VICE PRESIDENT - ADMINISTRATIVE SERVICES	ANR	\$150,000						\$150,000				Y	N	N	5%	N	
ALVISATOS, A PAUL	DEPUTY DIRECTOR	LBNL	\$357,000						\$357,000				Y	N	N		N	
ALVAREZ, ROSIO	OPERATIONS DIVISION DIRECTOR	LBNL	\$228,600						\$228,600	\$11,550			N	N	N		N	
CHU, STEVEN	LABORATORY DIRECTOR	LBNL	\$408,400					\$240	\$408,640			\$8,916	Y	N	N		Y	\$1,000,000
DEPAOLO, DONALD J	SCIENTIFIC DIVISION DIRECTOR FACULTY	LBNL	\$262,800				\$43,420		\$306,220				N	N	N		N	
FALCONE, ROGER W	SCIENTIFIC DIVISION DIRECTOR FACULTY	LBNL	\$199,333				\$29,900		\$229,233				N	N	N		N	
FERNANDEZ, JEFFREY A	CHIEF FINANCIAL OFFICER	LBNL	\$259,980						\$259,980				Y	N	N	5%	N	
GRAY, JOE W	ASSOCIATE LABORATORY DIRECTOR	LBNL	\$313,488						\$313,488				Y	N	N	5%	N	
GURSAHAN, ANITA P	DEPUTY CHIEF OPERATING OFFICER	LBNL	\$232,800						\$232,800				N	N	N		N	
HATAYAMA, HOWARD K	OPERATIONS DIVISION DIRECTOR	LBNL	\$229,800						\$229,800				N	N	N		N	
KEASLING, JAY D	SCIENTIFIC DIVISION DIRECTOR FACULTY	LBNL	\$295,200				\$44,280		\$339,480				N	N	N		N	
KRUPNICK, JAMES T	CHIEF OPERATING OFFICER	LBNL	\$300,744						\$300,744				Y	N	N	5%	N	
LUCHTY, PETER D	CHIEF MEDICAL OFFICER	LBNL	\$227,502					\$100	\$227,602				N	N	N		N	
MAJUMDAR, ARUNAVA	SCIENTIFIC DIVISION DIRECTOR FACULTY	LBNL	\$199,200				\$29,880		\$229,080				N	N	N		N	
NEUMARK, DANIEL M	SCIENTIFIC DIVISION DIRECTOR FACULTY	LBNL	\$192,667				\$28,900		\$221,567				N	N	N		N	
POTAPENKO, VERA	OPERATIONS DIVISION DIRECTOR	LBNL	\$228,240						\$228,240				N	N	N		N	
RIDGEWAY, JENNIFER S	OPS DIVISION DIRECTOR	LBNL	\$217,560						\$217,560				N	N	N		N	
ROBINSON, KEM EDWARD	OPERATIONS DIVISION DIRECTOR	LBNL	\$245,232						\$245,232				N	N	N		N	
RUBIN, EDWARD M	SCIENTIFIC DIVISION DIRECTOR	LBNL	\$275,496						\$275,496				N	N	N		N	
SALMERON, MIQUEL	SCIENTIFIC DIVISION DIRECTOR	LBNL	\$239,000						\$239,000				N	N	N		N	
SIEGRIST, JAMES L	ASSOCIATE LABORATORY DIRECTOR	LBNL	\$278,016						\$278,016				Y	N	N		N	



ANNUAL REPORT ON EXECUTIVE COMPENSATION FOR CALENDAR YEAR 2008

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SIMON,HORST D	ASSOCIATE LABORATORY DIRECTOR	LBNL	\$293,556						\$293,556				Y	N	N	5%	N	
SYMONS,TIMOTHY J	SCIENTIFIC DIVISION DIRECTOR	LBNL	\$238,844						\$238,844				N	N	N		N	
WOODS,GLENN R	CHIEF LABORATORY COUNSEL	LBNL	\$227,400						\$227,400				N	N	N		N	
YELICK,KATHERINE A	SCIENTIFIC DIVISION DIRECTOR FACULTY	LBNL	\$155,467				\$66,540		\$222,007				N	N	N		N	
ANANTHASWAMY,SATISH	SENIOR PORTFOLIO MANAGER	UCOP	\$254,065	\$33,990	Treasurer's AIP: Approved by President Yudof August 29, 2008				\$288,055				N	N	N		N	
BEAM,JOANNA MCKEE	ACTING DEPUTY GENERAL COUNSEL	UCOP	\$202,360				\$22,640		\$225,000				N	N	N		N	
BECKWITH,STEVEN VAN WALTER	VICE PRESIDENT, RESEARCH AND GRADUATE STUDIES	UCOP	\$320,000						\$320,000	\$29,983	\$40,000	\$8,916	Y	N	N	5%	N	
BERGGREN,MARIE N	CHIEF INVESTMENT OFFICER AND VICE PRESIDENT- INVESTMENTS AND ACTING TREASURER	UCOP	\$470,000						\$470,000			\$8,916	Y	N	N	5%	N	
BIRELY,JOHN H	ASSOCIATE VICE PRESIDENT-- PROGRAMS	UCOP	\$318,200						\$318,200				Y	N	N	5%	N	
BIRNBAUM,DAVID MARK	ACTING DEPUTY GENERAL COUNSEL	UCOP	\$177,375				\$47,625		\$225,000				N	N	N		N	
BLAIR,JEFFREY A	ACTING DEPUTY GENERAL COUNSEL	UCOP	\$175,821				\$52,379		\$228,200				N	N	N		N	
BOCCHICCHIO,MICHAEL J	ASSOCIATE VP--FACILITIES ADMINISTRATION	UCOP	\$185,848						\$185,848				Y	N	N	5%	N	
BROOME,ANNE C	VICE PRESIDENT--FINANCE	UCOP	\$305,000						\$305,000			\$8,916	Y	N	N	5%	N	
CAMMIDGE,JOHN	ACTING ASSOCIATE VICE PRESIDENT HUMAN RESOURCES AND BENEFITS	UCOP	\$160,095	\$2,000	Other:SRDP awarded under local authority, prior to assuming Acting AVP role.		\$31,908		\$194,003				N	N	N		N	
CHOI,LYNDA HEE	MANAGING DIRECTOR - ABSOLUTE RETURN	UCOP	\$270,657	\$193,130	Treasurer's AIP: Approved by President Yudof August 29, 2008				\$463,787				N	N	N		N	\$523,600
COAKER,WILLIAM JORDAN	SENIOR MANAGING DIRECTOR OF PUBLIC EQUITY INVESTMENTS	UCOP	\$275,000	\$61,700	Treasurer's AIP: Approved by President Yudof August 29, 2008				\$336,700	\$2,758			Y	N	N	5%	N	
CRICKETTE,GRACE MARGUERITE	CHIEF RISK OFFICER	UCOP	\$196,700						\$196,700				Y	N	N	5%	N	
CUCULLU,MICHELE ELISE	INVESTMENT OFFICER-PRIVATE EQUITY INVESTMENTS	UCOP	\$170,000	\$95,440	Treasurer's AIP: Approved by President Yudof August 29, 2008				\$265,440				N	N	N		N	
DARLING,BRUCE B	EXECUTIVE VICE PRESIDENT	UCOP	\$391,400						\$391,400			\$8,916	Y	N	N	5%	N	\$573,750
DYNES,ROBERT C	FORMER PRESIDENT OF THE UNIVERSITY	UCOP	\$405,000						\$405,000	\$2,744		\$8,916	Y	Y	N	5%	N	
ERNST,DAVID JOSEPH	CHIEF INFORMATION OFFICER AND ASSOCIATE VICE PRESIDENT FOR INFORMAION TECHNOLOGY	UCOP	\$238,000						\$238,000	\$4,000			Y	N	N	5%	N	
EVANS,KIM B	SENIOR PORTFOLIO MANAGER	UCOP	\$259,250	\$58,960	Treasurer's AIP: Approved by President Yudof August 29, 2008				\$318,210				N	N	N		N	
FALLE,JOHN GARY	DIRECTOR, NATIONAL LABORATORY AFFAIRS	UCOP	\$244,500						\$244,500				N	N	N		N	
FOLEY,S ROBERT	VP--LABORATORY MANAGEMENT	UCOP	\$393,000						\$393,000			\$8,916	Y	N	N	5%	N	\$850,000
FRENCH,KAREN KRISTINE	FORMER INTERIM VICE PRESIDENT - STATE GOVERNMENTAL RELATIONS	UCOP	\$160,000						\$160,000				N	N	N		N	
FRIED,LINDA	INVESTMENT OFFICER	UCOP	\$269,620	\$61,320	Treasurer's AIP: Approved by President Yudof August 29, 2008				\$330,940				N	N	N		N	
GARVIN,ANTHONY O	ACTING DEPUTY GENERAL COUNSEL	UCOP	\$159,130				\$40,870		\$200,000				N	N	N		N	
GIL,GLORIA BROWNING	MANAGING DIRECTOR - REAL ASSETS	UCOP	\$279,990	\$149,850	Treasurer's AIP: Approved by President Yudof August 29, 2008				\$429,840				N	N	N		N	\$726,200
GREENSTEIN,DANIEL I	VICE PROVOST-ACADEMIC INFORMATION AND STRATEGIC SERVICES	UCOP	\$244,700						\$244,700				Y	N	N	5%	N	
GREY,ROBERT DEAN	INTERIM PROVOST & EXECUTIVE VICE PRESIDENT - ACADEMIC AFFAIRS	UCOP	\$350,000						\$350,000	\$7,663			N	N	N		N	
GRIFFITHS,DIANE MARIE	SECRETARY AND CHIEF OF STAFF TO THE REGENTS	UCOP	\$295,000						\$295,000			\$8,916	Y	N	N	5%	Y	
HAYWARD,BRAD	FORMER ACTING ASST VICE PRESIDENT, STRATEGIC COMMUNICATIONS	UCOP	\$139,259	\$5,168	Other:SRDP departmental award granted under local authority in February 2008.		\$20,888		\$165,315				N	N	N		N	
HENRICH,CAROLYN ELAINE	ACTING ASSOCIATE VICE PRESIDENT FOR FEDERAL GOVERNMENT RELATIONS	UCOP	\$110,980				\$33,294		\$144,274				N	N	N		N	
HIRAHARA,JAMES SHIGERU	EXECUTIVE DIRECTOR-BUSINESS AND FINANCE OPERATIONS	UCOP	\$217,002						\$217,002				N	N	N		N	
HUGHES,DAVID DOUGLAS	INVESTMENT OFFICER- EXTERNALLY MANAGED INVESTMENTS	UCOP	\$180,438	\$46,940	Treasurer's AIP: Approved by President Yudof August 29, 2008				\$227,378				N	N	N		N	



ANNUAL REPORT ON EXECUTIVE COMPENSATION FOR CALENDAR YEAR 2008

Name	Title	Location	Annualized Base Salary	All Actual Bonus/Incentive Payments	Bonus/Incentive Comments	Total Actual Health Science Compensation	Annualized Stipend	Other Cash Compensation or Payments	Subtotal: Cash Compensation	Moving Costs (Reimbursement)	Allowances: Housing, Relo, Recruitment	Auto Allowance	SMG Benefits	UC Provided Housing	Severance Benefits	SMG Supp Benefit	Additional Post-Retirement Benefits	UC Provided Home Mortgage
JESTER,PAMELA J	DIRECTOR, CONTINUING EDUCATION OF THE BAR	UCOP	\$203,000						\$203,000				Y	N	N	5%	N	
JEWELL,NICHOLAS PATRICK	FORMER VICE PROVOST - ACADEMIC PERSONNEL	UCOP	\$263,750						\$263,750				Y	N	N		N	
JUAREZ,STEVE	ASSOCIATE VICE PRESIDENT & DIRECTOR, STATE GOVERNMENT RELATIONS	UCOP	\$230,000						\$230,000	\$592		\$8,916	Y	N	N	5%	N	
KIM,SANDRA H	EXECUTIVE DIRECTOR - EXTERNAL FINANCE	UCOP	\$225,000						\$225,000				Y	N	N	5%	N	
KOONCE,JAMES F	DEPUTY ASSOCIATE VICE PRESIDENT	UCOP	\$254,500						\$254,500				Y	N	N	5%	N	
LAPP,KATHERINE N	EXECUTIVE VICE PRESIDENT - BUSINESS OPERATIONS	UCOP	\$416,000						\$416,000	\$289	\$45,000	\$8,916	Y	N	N	5%	N	
LARSEN,DENNIS KEITH	EXECUTIVE DIRECTOR - EXECUTIVE COMPENSATION & PERFORMANCE MGMT	UCOP	\$216,744						\$216,744				N	N	N		N	
LENZ,PATRICK JAMES	VICE PRESIDENT - BUDGET	UCOP	\$272,500						\$272,500			\$8,916	Y	N	N	5%	N	
LIU,AILEEN	ASSOCIATE DIRECTOR	UCOP	\$180,438	\$62,590	Treasurer's AIP: Approved by President Yudof August 29, 2008				\$243,028				N	N	N		N	
LURQUIN,THOMAS JOHAN	DIRECTOR-PRIVATE EQUITY	UCOP	\$213,466	\$147,840	Treasurer's AIP: Approved by President Yudof August 29, 2008				\$361,306				N	N	N		N	
MANDLE,JONATHAN R	INVESTMENT OFFICER- ABSOLUTE RETURNS	UCOP	\$180,483	\$103,100	Treasurer's AIP: Approved by President Yudof August 29, 2008				\$283,583				N	N	N		N	
MUNOZ,SANTIAGO	ASSOCIATE VICE PRESIDENT- CLINICAL SERVICES DEVELOPMENT	UCOP	\$201,400	\$30,210	CEMRP: Approved by the Regents November 2008				\$231,610				Y	N	N	5%	N	
NATION,CATHRYN L	ASSOCIATE VICE PRESIDENT - HEALTH SCIENCES	UCOP	\$185,000						\$185,000				Y	N	N	5%	N	
NELSON,RONALD A	DIRECTOR-CONTRACTS MANAGEMENT	UCOP	\$224,300						\$224,300				Y	N	N	3%	N	
NESS,ROBERT VAN	ASSOC VP--LABORATORY OPERATIONS & ADMINISTRATION	UCOP	\$318,200						\$318,200				Y	N	N	5%	N	
NORRIS,JANET C.	ACTING DEPUTY GENERAL COUNSEL	UCOP	\$185,664				\$14,336		\$200,000				N	N	N		N	
OBLEY,DEBORA	ASSISTANT VP--BUDGET OPERATIONS	UCOP	\$198,300						\$198,300				Y	N	N	5%	N	
O'NEILL,GEOFFREY A	ASSISTANT VICE PRESIDENT - INSTITUTIONAL ADVANCEMENT	UCOP	\$178,500						\$178,500				Y	N	N	5%	N	
PHILLIPS,JESSE L	SENIOR MANAGING DIRECTOR, RISK MANAGEMENT	UCOP	\$301,600						\$301,600				Y	N	N	5%	N	
PLOTS,JOHN E	ASST VP--FINANCIAL MANAGEMENT	UCOP	\$236,108	\$23,611	Other:Performance bonus approved by Regents in January 2008, for performance year ending 06/30/07.				\$259,719				Y	N	N	5%	N	
RECKER,TIMOTHY JACOB	MANAGING DIRECTOR-PRIVATE EQUITY INVESTMENTS	UCOP	\$270,135	\$180,800	Treasurer's AIP: Approved by President Yudof August 29, 2008				\$450,935				N	N	N		N	\$1,000,000
REED,PATRICK V	UNIVERSITY AUDITOR	UCOP	\$246,100						\$246,100				Y	N	N	5%	N	
REESE,MICHAEL	ASSOCIATE VICE PRESIDENT - BUSINESS OPERATIONS	UCOP	\$236,300						\$236,300				Y	N	N	5%	N	\$545,000
ROBINSON,CHARLES F	GENERAL COUNSEL & VP-LEGAL AFFAIRS	UCOP	\$416,000						\$416,000			\$8,916	Y	N	N	5%	N	\$800,000
SAKAKI,JUDY KAORU	VICE PRESIDENT--STUDENT AFFAIRS	UCOP	\$246,300						\$246,300			\$8,916	Y	N	N	5%	N	\$589,650
SAMPSON,DANIEL C	ASST VP FINANCIAL CONTROLS AND ACCOUNTABILITY	UCOP	\$213,200	\$21,320	Other: Performance based incentive in the amount of 10%, approved by the Regents January 2008.				\$234,520				Y	N	N	5%	N	
SCHROEDER,DAVID W	SENIOR PORTFOLIO MANAGER	UCOP	\$269,620	\$94,210	Treasurer's AIP: Approved by President Yudof August 29, 2008				\$363,830				N	N	N		N	
SCOTT,RANDOLPH R.	EXECUTIVE DIRECTOR - STRATEGIC PLANNING & WORKFORCE DEVELOPMENT	UCOP	\$224,398						\$224,398				N	N	N		N	
SHAW,ANNE	ASSOCIATE SECRETARY OF THE REGENTS	UCOP	\$129,400						\$129,400				N	N	N		N	
STANTON,MELVIN L	ASSOCIATE CHIEF INVESTMENT OFFICER	UCOP	\$306,800	\$54,690	Treasurer's AIP: Approved by the Regents November 2008				\$361,490				Y	N	N	5%	N	
STOBO,JOHN DAVID	SENIOR VICE PRESIDENT - HEALTH SCIENCES AND SERVICES	UCOP	\$580,000						\$580,000	\$16,681		\$8,916	Y	N	N	5%	N	
STOFAN,JAMES E	ASSISTANT VICE PRESIDENT- ALUMNI AFFAIRS AND PROTOCOL	UCOP	\$162,300						\$162,300				Y	N	N	3%	N	
TUCKER,WILLIAM TINSLEY	EXECUTIVE DIRECTOR- TECHNOLOGY TRANSFER AND RESEARCH ADMINISTRATION	UCOP	\$189,800						\$189,800				Y	N	N	5%	N	
VACCA,SHERYL JEANNE	SENIOR VICE PRESIDENT - CHIEF COMPLIANCE AND AUDIT OFFICER	UCOP	\$405,000						\$405,000	\$17,486		\$8,916	Y	N	N	5%	N	



ANNUAL REPORT ON EXECUTIVE COMPENSATION FOR CALENDAR YEAR 2008

Name	Title	Location	Annualized Base Salary	All Actual Bonus/Incentive Payments	Bonus/Incentive Comments	Total Actual Health Science Compensation	Annualized Stipend	Other Cash Compensation or Payments	Subtotal: Cash Compensation	Moving Costs (Reimbursement)	Allowances: Housing, Relo, Recruitment	Auto Allowance	SMG Benefits	UC Provided Housing	Severance Benefits	SMG Supp Benefit	Additional Post-Retirement Benefits	UC Provided Home Mortgage
WEDDING,RANDOLPH E	SENIOR MANAGING DIRECTOR-FIXED INCOME INVESTMENTS	UCOP	\$306,800	\$83,860	Treasurer's AIP: Approved by the Regents November 2008				\$390,660				Y	N	N	5%	N	
WILLIAMS, LINDA	ASSOCIATE TO THE PRESIDENT	UCOP	\$200,404						\$200,404				N	N	\$100,202.00	N	N	\$832,500
WITHEY,LYNNE E	DIRECTOR, UNIVERSITY PRESS	UCOP	\$207,000						\$207,000				Y	N	N	5%	N	
YEE,ALICE L	SENIOR PORTFOLIO MANAGER	UCOP	\$197,030	\$68,300	Treasurer's AIP: Approved by President Yudof August 29, 2008				\$265,330				N	N	N		N	
YUDOF,MARK GEORGE	PRESIDENT OF THE UNIVERSITY	UCOP	\$591,084						\$591,084	\$92,246		\$8,916	Y	Y	N		Y	



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

ABBASCHIAN,REZA UCR
DEAN-ENGINEERING

Compensation Element Amount Staff Comments

Exceptional Vacation accrual

Approved at Sept. 2006 Regents Meeting in response to RE 74 Corrective Actions - BSA & Internal Audit Finding, Guideline #A-3.

Executive Disability

Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefits.

ADLER,STEVEN UCSD
PROVOST, EARL WARREN COLLEGE

Compensation Element Amount Staff Comments

Executive Disability

Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

ALIVISATOS,A PAUL LBNL
DEPUTY DIRECTOR

Compensation Element Amount Staff Comments

Executive Disability

Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

ALLEY,KEITH EDWARD UCM
EXECUTIVE VICE CHANCELLOR AND PROVOST

Compensation Element Amount Staff Comments

Exceptional Vacation accrual

Approved at Sept. 2006 Regents Meeting in response to RE 74 Corrective Actions - BSA & Internal Audit Finding, Guideline #A-3.

ALVARADO,GLORIA J UCD
EXECUTIVE DIRECTOR - HUMAN RESOURCES

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Clinical Enterprise Management Recognition Program	\$29,990.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by the Chancellor and reported to the Regents at November 2008 meeting in the Bi-Monthly Transaction Monitoring Report.
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ALVAREZ, ROSIO LBNL
OPERATIONS DIVISION DIRECTOR

Compensation Element Amount Staff Comments

Moving Expenses - Relocation/LBNL Only	\$11,550.00	Per Laboratory policy, reimbursement for moving expenses.
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ANANTHASWAMY, SATISH UCOP
SENIOR PORTFOLIO MANAGER

Compensation Element Amount Staff Comments

Treasurer's AIP Plan	\$33,990.00	Treasurer's Annual Incentive Plan: Actual pay-out is based on targets established at the beginning of the Plan year. Approved by President Yudof August 29, 2008.
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ANTRUM, SHEILA E UCSF
CHIEF PATIENT CARE SERVICES OFFICER, MEDICAL CENTER

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$13,500.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
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Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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Relocation Allowance	\$18,542.00	\$50,000 approved by Regents on 09/20/07 to offset higher cost of living in the Bay Area from San Diego. Incumbent is subject to standard payback parameters as outlined in policy.
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ATCHISON, KATHRYN UCLA
VICE PROVOST -- INTELLECTUAL PROPERTY & INDUSTRY RELATIONS

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Health Sciences Compensation Plan	\$14,669.00	Per policy, eligible to participate in Health Sciences Compensation Plan
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BABAKANIAN, EDWARD UCSD
CHIEF INFORMATION OFFICER - UCSD HEALTHCARE

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$42,630.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
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BADE, MICHAEL G UCSF
INTERIM ASSISTANT VICE CHANCELLOR-CAPITAL PROJECTS AND CAMPUS ARCHITECT

Compensation Element Amount Staff Comments

Stipend	\$26,520.00	Annualized stipend reflected. Actual stipend effective October 1, 2008 - September 30, 2009 for responsibilities associated with Interim Assistant Vice Chancellor-Capital Projects and Campus Architect role. Approved by Regents 09/23/2008.
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Incentive	\$8,757.00	Eligible to participate in Financial & Administrative Services Incentive Plan (FAS) annually with a maximum potential payout of 10%, actual amount based on performance related to goals. Approved under local authority as incumbent's total cash was below \$205,000 at the time.
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BAGGETT, MARGARITA M UCSD
CHIEF PATIENT CARE SERVICES OFFICER, UCSD MEDICAL CENTER

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$37,800.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
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Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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BAILEY, DAVID N UCI
VICE CHANCELLOR-HEALTH AFFAIRS



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Compensation Element Amount Staff Comments

Health Sciences Compensation Plan	\$50,000.00	Per policy, eligible to participate in Health Sciences Compensation Plan.
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**BARBOUR, ANNE SAUNDERS UCB
ATHLETIC DIRECTOR**

Compensation Element Amount Staff Comments

Annual Base	\$273,450.00	Base salary approved as part of negotiated athletics' contract.
Other Cash Payment	\$85,750.00	Approved as part of contract. Payout based on standard participation in outside events representing UCB.
Other Cash Payment	\$25,000.00	Approved as part of contract. Payout based on participation on TV; nonbase building.
Exceptional Vacation accrual		Approved as part of negotiated athletics' contract.
Housing Allowance	\$7,950.00	Housing allowance: Requested as an exception at time of appointment. Total payout of \$106,000 paid out between October 1, 2004 - September 30, 2008.
Relocation Allowance	\$4,472.00	Relocation allowance to be paid over 4 years (October 1, 2004 through September 30, 2008) with 40% provided the first year, 30% the second, 20% the third, and 10% the last year. Total to be paid out is \$59,625. \$4,472 is amount paid in 2008.
Other - Include in Total Cash Compensation	\$8,250.00	Courtesy vehicle approved as part of negotiated athletics' contract.
Coach - Incentive	\$76,675.00	\$10,518 for Women's basketball appearance at NCAA; \$10,938 for performance of football team; \$44,701 for academic achievements of student athletes; \$10,518 for performance of tennis team.

**BARCLAY, STEPHEN J UCSF
SENIOR VICE CHANCELLOR-RESOURCE MANAGEMENT AND CAPITAL PROJECTS**

Compensation Element Amount Staff Comments

Annual Base	\$216,480.00	60% time appointment for a fixed period 08/11/08 - 08/15/09.
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BARRETT, JOHN GREGORY UCSD



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

ASSOC VC-DEVELOPMENT, HEALTH SCIENCES

Compensation Element Amount Staff Comments

Temporary Housing	\$1,492.00	Includes cost of hotel.
Moving Expenses - Initial Househunting	\$200.00	Move from Chicago, IL to San Diego, CA
Moving Expenses - Family's Move	\$369.00	Move from Chicago, IL to San Diego, CA
Moving Expenses - Other-Excl from Total Cash Comp	\$126.00	Move from Chicago, IL to San Diego, CA
Moving Expenses - Shipment of Household Goods	\$8,583.00	Move from Chicago, IL to San Diego, CA

**BARRETT,KIM ELAINE UCSD
DEAN - GRADUATE STUDIES**

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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**BASRI,GIBOR UCB
VICE CHANCELLOR - EQUITY AND INCLUSION**

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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**BEAM,JOANNA MCKEE UCOP
ACTING DEPUTY GENERAL COUNSEL**

Compensation Element Amount Staff Comments

Stipend	\$22,640.00	Annualized stipend reflected. Actual stipend effective July 1, 2008 - June 30, 2009 for responsibilities associated with Acting Deputy General Counsel role. Due to administrative error, overpayment of stipend in amount of \$1,865.83 is being repaid.
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Addendum to Annual Report on Executive Compensation for Calendar Year 2008

BECKWITH, STEVEN VAN WALTER UCOP
VICE PRESIDENT, RESEARCH AND GRADUATE STUDIES

Compensation Element Amount Staff Comments

Senior Management Supplement

Due to an administrative error the Senior Management Supplemental Benefit was granted along with a tenured academic appointment. Contributions made to date under this benefit will be repaid and participation canceled.

BENNAN, JAMES UCSF
ADMINISTRATIVE DIRECTOR-PERIOPERATIVE SERVICES, MEDICAL CENTER

Compensation Element Amount Staff Comments

Other Cash Payment \$6,646.00

Paid Time Off payment. Per UCSF Medical Center PTO policy approved by Assoc VP-HR & Benefits in 2004.

BENNETT, ALBERT UCI
DEAN-SCHOOL OF BIOLOGICAL SCIENCES

Compensation Element Amount Staff Comments

Executive Disability

Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

BIDDY, FRANKLIN SCOTT UCB
VICE CHANCELLOR-UNIVERSITY RELATIONS

Compensation Element Amount Staff Comments

Executive Disability

Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

BIRGENEAU, ROBERT J. UCB
CHANCELLOR

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Exceptional Vacation accrual	Approved at Sept. 2006 Regents Meeting in response to RE 74 Corrective Actions - BSA & Internal Audit Finding, Guideline #A-3.
Executive Disability	Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
Sabbatical Payment/Transfer	Transfer of 24 sabbatical credits upon recruitment approved at September 2006 Regents' Meeting in response to RE 74 Corrective Actions - BSA & Internal Audit Finding.
Post Retirement Agreement	As part of the appointment item that was approved by The Regents July 27, 2004, the University will provide a supplement to his earned retirement under UCRP, calculating his retirement benefit on the full amount of his base salary.
Other Benefit	Accelerated vesting in retiree health premium approved at September 2006 Regents' Meeting in response to RE 74 Corrective Actions - BSA & Internal Audit Finding.
Other - Exclude from Total Cash Compensation	Future participation in GP MOP approved at September 2006 Regents' Meeting in response to RE 74 Corrective Actions - BSA & Internal Audit Finding.

BIRNBAUM, DAVID MARK UCOP
ACTING DEPUTY GENERAL COUNSEL

Compensation Element Amount Staff Comments

Stipend	\$47,625.00	Annualized stipend reflected. Actual stipend effective July 1, 2008 - June 30, 2009 for responsibilities associated with Acting Deputy General Counsel role. Due to administrative error, overpayment of stipend in the amount of \$924.25 is being repaid.
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BISHOP, JOHN M UCSF
CHANCELLOR

Compensation Element Amount Staff Comments

Executive Auto Allowance	\$516.00	Imputed income for personal use of a university provided vehicle.
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BLAIR, JEFFREY A UCOP
ACTING DEPUTY GENERAL COUNSEL

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Stipend	\$52,379.00	Annualized stipend reflected. Actual stipend effective July 1, 2008 - June 30, 2009 for responsibilities associated with Acting Deputy General Counsel role. Due to administrative error, overpayment of stipend in the amount of \$925.30 is being repaid.
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**BLINDER, DAVID UCB
ASSOCIATE VICE CHANCELLOR - UNIVERSITY RELATIONS**

Compensation Element Amount Staff Comments

MOP Loan		Approved by The Regents as an exception to policy.
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SHLP Loan		Approved by The Regents as an exception to policy.
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**BLOCK, GENE D. UCLA
CHANCELLOR**

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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Other Benefit		Paid Administrative Leave: Credit of 6 months of paid administrative leave to be taken immediately following at least 5 years of service as Chancellor. Approved by Regents 12/2006.
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Other Benefit		Relocation of Personal Belongings: Relocation of personal belongings from the Chancellor's residence to a location within the greater LA area upon stepping down as Chancellor. Approved by Regents 12/2006.
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**BLUESTONE, JEFFREY UCSF
INTERIM VICE CHANCELLOR - RESEARCH**

Compensation Element Amount Staff Comments

Annual Base	\$197,600.00	Incumbent holds a without salary (WOS) appointment as Interim Vice Chancellor-Research. All compensation elements reflect academic salary only as reported/confirmed by department.
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BLUMENTHAL, GEORGE R UCSC



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

CHANCELLOR

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
Moving Expenses - Shipment of Household Goods		Packing & relocation of household goods per policy for move into required University Housing.
Moving Expenses - Strg of Hsehd Goods-short-term		Approved for a maximum of \$10,000 for up to 6 months over the 1 month allowed by policy for a total of 7 months.

**BOSSERT, STEVEN T. UCR
DEAN-GRADUATE SCHOOL OF EDUCATION**

Compensation Element Amount Staff Comments

Exceptional Vacation accrual		Approved at Sept. 2006 Regents Meeting in response to RE 74 Corrective Actions - BSA & Internal Audit Finding, Guideline #A-3.
Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
Severance/Separation Agreement		Approved at Sept. 2006 Regents Meeting in response to RE 74 Corrective Actions - BSA & Internal Audit Finding, Guideline #A-2. Provision included in offer letter.

**BOUBELIK, JANE ESTHER UCLA
CHIEF LEGAL COUNSEL, MEDICAL SCIENCES**

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$23,500.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by Chancellor November 2008 and reported to The Regents at November 2008 meeting in the Bi-Monthly Transaction Monitoring Report.
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**BOYD, MICHAEL W UCD
EXECUTIVE DIRECTOR - PLANNING, DESIGN & CONSTRUCTION**



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$37,000.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by Chancellor November 2008 and reported to The Regents at November 2008 meeting in the Bi-Monthly Transaction Monitoring Report.
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**BOYLE, JOANNE UCB
HEAD COACH-WOMEN'S BASKETBALL**

Compensation Element Amount Staff Comments

Annual Base	\$241,688.00	Base salary approved as part of negotiated athletics' contract. Due to retroactive approval, 2007 retroactive salary of \$43,000 paid in 2008.
Bonus	\$2,730.00	Bonus paid based on number of tickets sold, approved as part of negotiated athletics' contract.
Other Cash Payment	\$301,688.00	Approved as part of contract. Payout based on standard participation in outside events representing UCB. Due to retroactive approval of contract, a 2007 retroactive payment of \$85,593 was paid in 2008.
Exceptional Vacation accrual		Approved as part of negotiated athletics' contract.
Other - Include in Total Cash Compensation	\$6,850.00	Courtesy vehicle approved as part of negotiated athletics' contract.
Coach - Bonus	\$96,980.00	Payout based on Pac-10 wins, Pac-10 Championships, NCAA participation, coaching awards, academic achievement of team, recruiting success. Approved as part of negotiated athletics' contract. \$73,500 NCAA participation; \$15,750 Academic Achievement; \$5000 signing bonus; \$2730 ticket sales.

**BRASE, WENDELL C UCI
VICE CHANCELLOR-ADMINISTRATIVE AND BUSINESS SERVICES**

Compensation Element Amount Staff Comments

Stipend	\$20,000.00	Ongoing stipend for additional duties associated with his role as Project Manager in the oversight of the Medical Center's seismic replacement hospital project. Effective February 1, 2005 - January 31, 2009. Approved by The Regents 5/27/2005.
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Addendum to Annual Report on Executive Compensation for Calendar Year 2008

**BRAUN,BEN UCB
FORMER HEAD COACH-MEN'S BASKETBALL**

Compensation Element Amount Staff Comments

Annual Base	\$156,000.00	Base salary approved as part of negotiated athletics' contract. Terminated 4/30/2008. Actual earnings \$52,000.
Other Cash Payment	\$794,000.00	Approved as part of contract. Payout based on standard participation in outside events representing UCB. Terminated 4/30/2008. Actual earnings were \$238,200.
Other Cash Payment	\$657,291.00	Coach was terminated at end of the 2008 Basketball season.
Exceptional Vacation accrual		Approved as part of negotiated athletics' contract.
Other Benefit		Approved as part of negotiated athletics' contract.
Other - Exclude from Total Cash Compensation	\$7,500.00	Apparel consideration approved as part of negotiated athletics' contract.
Coach - Bonus	\$12,995.00	For participating in the NIT in March 2008.

**BRENNER,DAVID ALLEN UCSD
VICE CHANC - HEALTH SCI AND DEAN, SCHOOL OF MEDICINE**

Compensation Element Amount Staff Comments

Health Sciences Compensation Plan	\$220,000.00	Per policy, eligible to participate in Health Sciences Compensation Plan.
Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
Relocation Allowance	\$31,250.00	\$125,000 (25%) to be distributed over 4 years in equal annual payments of \$31,250. Subject to repayment if resigns within first 4 years.

**BROSTROM,NATHAN UCB
VICE CHANCELLOR - ADMINISTRATION**

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Executive Disability

Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

BROUGHTON, JANET UCB
DEAN-ARTS AND HUMANITIES

Compensation Element Amount Staff Comments

Executive Disability

Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

Based on policy at the time of leave, should the accrued sabbatical credits not yield the equivalent of 100% of the faculty salary, the campus will provide a research fund which can be used to supplement the sabbatical up to 100% in accordance with APM 74

Other Benefit

CALARCO, PATRICIA G UCSF
DEAN-GRADUATE DIVISION

Compensation Element Amount Staff Comments

Executive Disability

Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

CALDWELL, YOLANDA NICOLE UCLA
HEAD WOMEN'S BASKETBALL COACH

Compensation Element Amount Staff Comments

Annual Base	\$250,000.00
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Per negotiated contract.

Other Cash Payment	\$18,278.00
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Contract compensation approved by Chancellor under Recruitment Authority granted by Regents in March 2008. Payout based on camp income.

Other Cash Payment	\$49,500.00
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Part of guaranteed compensation, based on negotiated contract.

Other - Include in Total Cash Compensation	\$638.00
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UCLA Sporting Event Tickets

CAMMIDGE, JOHN UCOP
ACTING ASSOCIATE VICE PRESIDENT HUMAN RESOURCES AND BENEFITS



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Compensation Element Amount Staff Comments

Stipend	\$31,908.00	Annualized stipend reflected for additional duties as Acting Assoc VP-HR&B. Stipend approved beginning 10/01/2008 and lasting 12 months or until the appointment of a new Vice President - HR is appointed.
Bonus	\$2,000.00	Departmental bonus payment issued in July 2008, prior to start of acting appointment.

CAMPBELL, THOMAS J. UCB
DEAN-HAAS SCHOOL OF BUSINESS

Compensation Element Amount Staff Comments

Annual Base	\$300,800.00	Stepped down as dean 6/30/2008
Exceptional Vacation accrual		Approved at September 2006 Regents' Meeting in response to RE 74 Corrective Actions - BSA & Internal Audit Finding, Guideline #A-3.
Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

CANNING, MARCIA J UCSF
CHIEF CAMPUS COUNSEL/ASSOCIATE GENERAL COUNSEL

Compensation Element Amount Staff Comments

Senior Management Supplement		Originally 3% and increased to 5% approved by The Regents on 7/17/08 with an effective date of 8/1/08.
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CARPENTER, KATHARINE O UCLA
CHIEF ADMINISTRATIVE OFFICER, SANTA MONICA--UCLA MEDICAL CENTER AND ORTHOPAEDIC HOSPITAL

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$38,336.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

CHAPMAN,JOHN UCSF
EXECUTIVE DIRECTOR-CLINICAL SERVICES, MEDICAL CENTER

Compensation Element Amount Staff Comments

Stipend	\$24,102.00	Annualized stipend reflected. Actual stipend effective September 23, 2007 - June 30, 2008 for duties as Interim Executive Director-Clinical Services prior to appointment as Executive Director-Clinical Services. Approved by Regents on 07/17/2008. Stipend terminated with incumbents' appointment effective 07/01/08.
Other Cash Payment	\$11,801.00	Paid Time Off payment. Per UCSF Medical Center PTO policy approved by Assoc VP-HR & Benefits in 2004.

CHOI,LYNDA HEE UCOP
MANAGING DIRECTOR - ABSOLUTE RETURN

Compensation Element Amount Staff Comments

Treasurer's AIP Plan	\$193,130.00	Treasurer's Annual Incentive Plan: Actual pay-out is based on targets established at the beginning of the Plan year. Approved by President Yudof August 29, 2008.
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CHOW,NORMAN YEW HEEN UCLA
FOOTBALL OFFENSIVE COORDINATOR

Compensation Element Amount Staff Comments

Other Cash Payment	\$50,000.00	Part of guaranteed compensation based on negotiated contract.
Other - Include in Total Cash Compensation	\$2,554.00	UCLA Sporting Event Tickets
Other - Include in Total Cash Compensation	\$9,247.00	Courtesy Vehicle (imputed income). Approved by Regents per employment contract.

CHRISMAN,MAYE C. UCSF
CHIEF OPERATING OFFICER AND INTERIM CHIEF FINANCIAL OFFICER, DEPARTMENT OF MEDICINE, SCHOOL OF MEDICINE

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Stipend	\$29,280.00	Annualized stipend reflected. Actual stipend effective July 1, 2008 - June 30, 2009 for responsibilities associated with Interim Chief Financial Officer role. Approved by Regents 07/17/2008.
CHU, STEVEN LBNL LABORATORY DIRECTOR		
Compensation Element Amount Staff Comments		
Exceptional Vacation accrual		Approved at September 2006 Regents' Meeting in response to RE 74 Corrective Actions - BSA & Internal Audit Finding, Guideline #A-3.
Executive Disability		Per policy, eligible - has not yet met five year vesting requirement.
Other Payment - Benefits	\$240.00	Annual dues for UC Faculty Club paid from discretionary administrative fund.
Post Retirement Agreement		Entire base salary used to calculate UCRP pension included as part of offer letter approved by Regents Feb 1999.
CIGNETTI, FRANK J. UCB OFFENSIVE COORDINATOR - FOOTBALL		
Compensation Element Amount Staff Comments		
Other Cash Payment	\$80,000.00	Part of guaranteed compensation based on negotiated contract.
Other Cash Payment	\$80,403.00	\$70,583 in supplemental compensation is provided by the Director of Athletics and the Head Football Coach as a portion of the \$250,000 allotment in Coach Tedford's contract, which he can use for bonuses for his assistant coaches and staff each year. An additional \$9820 was earned from participation in youth summer camps.
Coach - Bonus	\$6,000.00	For participation in the Emerald Bowl.
COAKER, WILLIAM JORDAN JR. UCOP SENIOR MANAGING DIRECTOR OF PUBLIC EQUITY INVESTMENTS		
Compensation Element Amount Staff Comments		



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Treasurer's AIP Plan	\$61,700.00	Treasurer's Annual Incentive Plan: Actual pay-out is based on targets established at the beginning of the Plan year. Approved by President Yudof August 29, 2008.
Executive Disability		Per policy, must meet 5yr vesting requirement in SMG to receive benefit.

COOKSEY,DONALD A. UCR
FORMER ACTING DEAN-COLLEGE OF NATURAL AND AGRICULTURAL SCIENCES

Compensation Element Amount Staff Comments

Stipend	\$45,800.00	Annualized stipend reflected. Actual stipend effective March 12, 2007 - June 30, 2008 for responsibilities associated with Acting Dean - College of Natural and Agricultural Sciences role. Extension beyond 1 year approved as exception to policy by The Regents January 2008.
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COWHEY,PETER F. UCSD
DEAN-GRADUATE SCHOOL OF INTERNATIONAL RELATIONS & PACIFIC STUDIES

Compensation Element Amount Staff Comments

Stipend	\$28,590.00	Stipend extension approved by the Board of Regents at their May 2008 meeting. Stipend has been in effect since January 1, 2007.
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COYLE,MICHELE C. UCR
CHIEF CAMPUS COUNSEL/ASSOCIATE GENERAL COUNSEL

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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CRAIG,PAUL A UCSD
CHIEF RISK MANAGEMENT AND PATIENT SAFETY OFFICER

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Stipend	\$20,160.00	Annualized stipend reflected. Actual stipend effective October 1, 2008 - June 30, 2009 for responsibilities associated with Acting Chief Human Resources Officer role held concurrently with his position as Chief Risk Management and Patient Safety Officer. Approved by the Chancellor.
Clinical Enterprise Management Recognition Program	\$30,240.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by Chancellor October 2008 and reported to The Regents November 2008 in the Bi-Monthly Transaction Monitoring Report.

CREEM, MITCHELL R. UCLA
FORMER CHIEF FINANCIAL OFFICER -- UCLA MEDICAL SCIENCES

Compensation Element Amount Staff Comments

Executive Disability Per policy, eligible - had not yet met five year vesting requirement in SMG to receive benefit. (Separated 5-30-08)

CRICKETTE, GRACE MARGUERITE UCOP
CHIEF RISK OFFICER

Compensation Element Amount Staff Comments

Exceptional Vacation accrual Approved at September 2006 Regents' Meeting in response to RE 74 Corrective Actions - BSA & Internal Audit Finding, Guideline #A-3.

CROOKS, HEIDI UCLA
SR. ASSOCIATE DIRECTOR -- OPERATIONS & PATIENT CARE SERVICES

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$39,475.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
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CUCULLU, MICHELE ELISE UCOP
INVESTMENT OFFICER-PRIVATE EQUITY INVESTMENTS

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Annual Base	\$170,000.00	Exception to policy at the time due to promotional increase over 25%. Approved by The Regents March 2008.
Treasurer's AIP Plan	\$95,440.00	Treasurer's Annual Incentive Plan: Actual pay-out is based on targets established at the beginning of the Plan year. Approved by President Yudof August 29, 2008.

CULLENBERG,STEPHEN E. UCR
DEAN-COLLEGE OF HUMANITIES, ARTS, & SOCIAL SCIENCES

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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CUMMINS,JOHN F UCB
ASSOCIATE CHANCELLOR/CHIEF OF STAFF

Compensation Element Amount Staff Comments

Annual Base	\$185,600.00	Retired June 28, 2008.
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CZECH,JANE UCSF
DIRECTOR OF ADMINISTRATION-NEUROLOGY

Compensation Element Amount Staff Comments

Incentive	\$19,318.00	Eligible to participate in School of Medicine Management Incentive Program annually with a maximum potential of 20%, actual amount based on performance related to goals. Approved under local authority as incumbent's total cash compensation is less than \$205,000.
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DANIELS,DONALD FRANCIS UCLA
ASSISTANT COACH, MEN'S BASKETBALL

Compensation Element Amount Staff Comments

Other Cash Payment	\$10,000.00	Payout is based on camp income under negotiated contract.
Other - Include in Total Cash Compensation	\$6,043.00	UCLA Sporting Event Tickets



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Other - Include in Total Cash Compensation \$160.00 Spouse Travel. Per contract.

DEAN,CAROLYN UCSC
FORMER ACTING DEAN-DIVISION OF THE ARTS

Compensation Element Amount Staff Comments

Stipend \$30,833.00 Three summer ninths stipend added to 9-month professorial salary for service as Acting Dean. Served in role temporarily during summer months only after previous Acting Dean left and prior to new Acting Dean Jones appointment in September. Total actual amount paid was \$31,078.71. Overpayment of \$245.71 being repaid in calendar year 2009.

DENTON,EDWARD J UCB
VICE CHANCELLOR-FACILITIES SERVICES

Compensation Element Amount Staff Comments

Exceptional Vacation accrual Approved at September 2006 Regents' Meeting in response to RE 74 Corrective Actions - BSA & Internal Audit Finding, Guideline #A-3.

DEPAOLO,DONALD J LBNL
SCIENTIFIC DIVISION DIRECTOR FACULTY

Compensation Element Amount Staff Comments

Stipend \$39,420.00 Stipend used strictly as method of payment for this ongoing assignment as Scientific Div/Dir - Faculty. LBNL reimburses UCB for 50% of his base salary for 9 months and pays 100% during the 3 summer months. Campus administers base pay and benefits.

Stipend \$4,000.00 \$4,000 Administrative Stipend (1.52% this year) charged to State funds for his joint appointment as UCB/LBNL Director of the Center of Isotope Geochemistry.

DEVRIES,JAN UCB
ACTING DEAN-SOCIAL SCIENCES

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Stipend	\$34,478.00	Annualized stipend reflected. Actual stipend effective November 1, 2008 - July 01, 2009 for responsibilities associated with Acting Dean - Social Sciences role. Approved by Regents 12/17/2008.
<p>DHIR,VIJAY K UCLA DEAN -- SCHOOL OF ENGINEERING AND APPLIED SCIENCE</p> <p>Compensation Element Amount Staff Comments</p>		
Summer Salary	\$22,525.00	Exception allowed by SMG policy, payment for summer research conducted in July 2008 and funded by a NASA grant. Per policy, equivalent number of days of vacation was forfeited. Approved by The Regents, July 2008.
<p>DIAZ,ALPHONSO V. UCR VICE CHANCELLOR-ADMINISTRATION</p> <p>Compensation Element Amount Staff Comments</p>		
Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
<p>DOOLEY,DANIEL M. ANR INTERIM SENIOR VICE PRESIDENT--EXTERNAL RELATIONS AND VICE PRESIDENT-AGRICULTURE AND NATURAL RESOURCES</p> <p>Compensation Element Amount Staff Comments</p>		
Stipend	\$50,000.00	Annualized stipend reflected. Actual stipend effective November 5, 2008 - November 4, 2009 for responsibilities associated with Interim Senior Vice President--External Relations and Vice President-Agriculture and Natural Resources roles. Approved by Regents 11/2008.
<p>DORRELL,KARL JAMES UCLA FORMER HEAD COACH, FOOTBALL</p> <p>Compensation Element Amount Staff Comments</p>		
Annual Base	\$150,000.00	Base salary approved as part of negotiated athletics' contract.



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Incentive	\$200,000.00	2007 Season Incentive approved as part of negotiated athletics' contract paid out in 2008. Payout based on identified levels of team performance.
Other Cash Payment	\$480,417.00	Talent Fees are part of guaranteed compensation for standard participation in outside events representing the campus as negotiated in the contract.
Other - Include in Total Cash Compensation	\$1,449.00	Courtesy Vehicle (imputed income)

**DOUGLASS, JOSEPH P UCI
HEAD COACH-MEN'S BASKETBALL**

Compensation Element Amount Staff Comments

Bonus	\$3,000.00	Incentive Bonus Plan paid in 2008.
Other Cash Payment	\$50,498.00	Payout based on annual participation in summer camps for youth approved as part of negotiated athletics' contract.

**DOYLE, MARY M UCSC
VICE CHANCELLOR, INFORMATION TECHNOLOGY**

Compensation Element Amount Staff Comments

Relocation Allowance	\$53,500.00	Per policy, relocation allowance paid as lump sum in support of move from Washington. Repayment schedule as follows: Leave before end of 1st year, 100% return; 2nd year 80%; 3rd year 60%; 4th year 40%; 5th year 20%.
Moving Expenses - Initial Househunting	\$722.00	Reimbursement for initial househunting expenses per policy; moving from Washington.
Moving Expenses - Shipment of Household Goods	\$5,885.00	Payment for shipment of household goods during move from Washington, per policy.

**DUFFY, SHARON A. UCR
ACTING DEAN-UNIVERSITY EXTENSION**

Compensation Element Amount Staff Comments

Stipend	\$52,006.00	Annualized stipend reflected. Actual stipend effective October 1, 2007 - September 30, 2009 for responsibilities associated with Acting Dean - University Extension role. Extension beyond 1 year approved as an exception to policy by The Regents September 2008.
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Addendum to Annual Report on Executive Compensation for Calendar Year 2008

DURDEN, DAVID A. UCB
HEAD COACH-MEN'S SWIMMING AND DIVING

Compensation Element Amount Staff Comments

Annual Base	\$124,800.00	Base salary approved as part of negotiated athletics' contract.
Other Cash Payment	\$20,000.00	Talent Fees are part of guaranteed compensation for standard participation in outside events representing the campus as negotiated in the contract.
Other Cash Payment	\$104,963.00	Buyout of Maryland contract as per UCB negotiated contract.
Coach Auto Allowance	\$7,239.00	Includes \$1,839 retroactive payment for 2007, paid in 2008.
Coach - Bonus	\$41,250.00	Includes \$25,000 signing bonus; \$16,000 for participation in NCAA tournament; \$250 campus Spot Award.

DURUISSEAU, SHELTON J UCD
SENIOR ADMINISTRATIVE AND PROFESSIONAL SERVICES OFFICER, UC DAVIS HEALTH SYSTEM

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$38,220.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
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DYNES, ROBERT C UCOP
FORMER PRESIDENT OF THE UNIVERSITY

Compensation Element Amount Staff Comments

Annual Base	\$405,000.00	Appointment end date was 06/15/2008.
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EDLEY, CHRISTOPHER UCB
DEAN-SCHOOL OF LAW

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Exceptional Vacation accrual	Approved at September 2006 Regents' Meeting in response to RE 74 Corrective Actions - BSA & Internal Audit Finding, Guideline #A-3.
Executive Disability	Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
Partner Career Opportunity Program	Campus committed to fund 3 years of 1/2 time employment for incumbent's spouse as part of offer beginning 7/1/2004 and ending 6/30/2007.

ELLIS,ARTHUR BARON UCSD
VICE CHANCELLOR-RESEARCH

Compensation Element Amount Staff Comments

Executive Disability	Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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ELLISON,WANDA UCSF
INTERIM ASSISTANT VICE CHANCELLOR - RESEARCH

Compensation Element Amount Staff Comments

Bonus	\$16,723.00	Eligible to participate in Staff Recognition & Development Plan annually with a maximum potential payout of up to 10% of base salary. Approved under local authority as incumbent's total cash was below \$205,000 at time of approval. Stipend began 11/1/08 bringing total cash compensation over ICL.
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ELMAN,JEFFREY L. UCSD
DEAN - DIVISION OF SOCIAL SCIENCES

Compensation Element Amount Staff Comments

Executive Disability	Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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ELMAN,JEFFREY L. UCSD
FORMER ACTING DEAN-DIVISION OF SOCIAL SCIENCES

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Stipend	\$30,879.00	The 12.8% stipend was \$30,000 based on salary in effect at the time of Regental approval, but was increased to reflect 12.8% of the new 10/1/07 salary following approval of faculty scale adjustments.
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ENTRIKIN, J N UCLA
ACTING VICE PROVOST-INTERNATIONAL STUDIES

Compensation Element Amount Staff Comments

Stipend	\$23,800.00	Annualized stipend reflected. Actual stipend effective October 1, 2007 - May 31, 2009 for responsibilities associated with Acting Vice Provost-International Studies role. Extension beyond 1 year approved as an exception to policy by The Regents May 2008.
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ESPIRITU, RONALDO G. UCSD
ASSISTANT VICE CHANCELLOR FOR BUSINESS AND FISCAL AFFAIRS

Compensation Element Amount Staff Comments

Incentive	\$21,760.00	Per policy, is eligible for an incentive payment up to 10% of base salary annually under UCSD Clinical Senior Leaders Recognition Plan. Award based on performance as judged against predetermined goals in key results areas. Although payment was received, it has yet to be authorized by the President and Regents, therefore, Mr. Espiritu has agreed to repay the incentive payment until the matter is resolved.
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ESQUER, DAVID UCB
HEAD COACH-BASEBALL

Compensation Element Amount Staff Comments

Annual Base	\$111,180.00	Base salary approved as part of negotiated athletics' contract.
Other Cash Payment	\$40,000.00	Talent Fees are part of guaranteed compensation for standard participation in outside events representing the campus as negotiated in the contract.
Other Cash Payment	\$44,157.00	Payout based on annual participation in summer camps for youth approved as part of negotiated athletics' contract.
Other Cash Payment	\$16,000.00	Athletic equipment supplier consideration approved as part of negotiated athletics' contract.



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Coach - Bonus	\$7,500.00	Bonus paid based on team performance per negotiated contract. Participation in NCAA tournament.
<p>EVANS,KIM B UCOP SENIOR PORTFOLIO MANAGER</p> <p>Compensation Element Amount Staff Comments</p>		
Treasurer's AIP Plan	\$58,960.00	Treasurer's Annual Incentive Plan: Actual pay-out is based on targets established at the beginning of the Plan year. Approved by President Yudof August 29, 2008.
<p>FALCONE,ROGER W LBNL SCIENTIFIC DIVISION DIRECTOR FACULTY</p> <p>Compensation Element Amount Staff Comments</p>		
Stipend	\$29,900.00	Stipend used strictly as method of payment for this ongoing assignment as Scientific Div/Dir - Faculty. LBNL reimburses UCB for 50% of his base salary for 9 months and pays 100% during the 3 summer months. Campus administers base pay and benefits.
<p>FAWLEY,REECE I UCSF EXECUTIVE DIRECTOR-HEALTH PLAN STRATEGY & REVENUE MANAGEMENT, MEDICAL CENTER</p> <p>Compensation Element Amount Staff Comments</p>		
Clinical Enterprise Management Recognition Program	\$17,587.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by the Chancellor and reported to the Regents at the November 2008 meeting in the Bi-Monthly Transaction Monitoring Report.
<p>FEATHERSTONE,JOHN D B UCSF DEAN-SCHOOL OF DENTISTRY</p> <p>Compensation Element Amount Staff Comments</p>		
Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

FEINBERG, DAVID T UCLA
ASSOCIATE VICE CHANCELLOR AND CHIEF EXECUTIVE OFFICER FOR THE HOSPITAL SYSTEM

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$83,448.00	Eligible to participate in CEMRP annually beginning in 2008 with a maximum potential of 20%, actual payout based on performance related to goals. Approved by Regents November 2008.
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FEINBERG, DAVID T UCLA
FORMER ACTING ASSOCIATE VICE CHANCELLOR/CHIEF EXECUTIVE OFFICER

Compensation Element Amount Staff Comments

Stipend	\$283,900.00	Annualized stipend reflected. Actual stipend effective July 1, 2007 - June 30, 2008 for responsibilities associated with Acting Associate Vice Chancellor/Chief Executive Officer role.
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FELLER, RICHARD I UCB
HEAD COACH-WOMEN'S VOLLEYBALL

Compensation Element Amount Staff Comments

Annual Base	\$111,240.00	Base salary approved as part of negotiated athletics' contract.
Other Cash Payment	\$46,500.00	Payout based on annual participation in summer camps for youth approved as part of negotiated athletics' contract.
Other Benefit	\$364.00	Per negotiated athletics' contract, spouse/partner travel/events outside San Francisco Bay Area.
Other - Exclude from Total Cash Compensation	\$5,000.00	Apparel consideration approved as part of negotiated athletics' contract.
Coach - Bonus	\$50,000.00	Bonus for appearing in 2007 NCAA tournament. Bonus paid in January 2008.

FERNANDES, ROXANNE UCSF
EXECUTIVE DIRECTOR-CHILDREN'S HOSPITAL, MEDICAL CENTER

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Other Cash Payment	\$4,617.00	Paid Time Off payment. Per UCSF Medical Center PTO policy approved by Assoc VP-HR & Benefits in 2004.
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FERNANDEZ,JEFFREY A LBNL
CHIEF FINANCIAL OFFICER

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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FERNANDEZ,NOHEMA UCI
FORMER DEAN-CLAIRE TREVOR SCHOOL OF THE ARTS

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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FLYNN,MARY FRANCES UCLA
DIRECTOR, MANAGED CARE PROGRAM, UCLA MEDICAL CENTER

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$34,261.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by Chancellor November 2008 and reported to The Regents November 2008 in the Bi-Monthly Transaction Monitoring Report.
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FOX,MARYE ANNE UCSD
CHANCELLOR

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Exceptional Vacation accrual		Approved at September 2006 Regents' Meeting in response to RE 74 Corrective Actions - BSA & Internal Audit Finding, Guideline #A-3.
Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
University Housing		As a non-taxable benefit, per the offer letter, a house is being rented off campus, pending renovation of University House.
Other Payment - Benefits	\$985.00	Annual membership renewal payment made to Cosmos Club to cover Chancellor Fox's 2008-09 membership fee. Membership is used to secure meeting and lodging facilities during business travel.

**FRAKER,HARRISON S JR UCB
DEAN-COLLEGE OF ENVIRONMENTAL DESIGN**

Compensation Element Amount Staff Comments

Annual Base	\$205,400.00	Stepped down as Dean 06/30/2008
Exceptional Vacation accrual		Approved at September 2006 Regents' Meeting in response to RE 74 Corrective Actions - BSA & Internal Audit Finding, Guideline #A-3.

**FRENCH,KAREN KRISTINE UCOP
FORMER INTERIM VICE PRESIDENT - STATE GOVERNMENTAL RELATIONS**

Compensation Element Amount Staff Comments

Annual Base	\$160,000.00	Appointment ended 08/31/08. Annualized base salary reflected.
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**FRIED,LINDA UCOP
INVESTMENT OFFICER**

Compensation Element Amount Staff Comments

Treasurer's AIP Plan	\$61,320.00	Treasurer's Annual Incentive Plan: Actual pay-out is based on targets established at the beginning of the Plan year. Approved by President Yudof August 29, 2008.
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**GAINES,STEVEN UCSB
ACTING DEAN, MATHEMATICAL, LIFE AND PHYSICAL SCIENCES**



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Compensation Element Amount Staff Comments

Stipend	\$39,260.00	Annualized stipend reflected. Actual stipend effective July 1, 2007 - September 30, 2008 as an exception to policy for responsibilities associated with Acting Dean - Mathematical, Life and Physical Sciences role. Approved by Regents.
GALLOWAY,ALISON UCSC VICE PROVOST, ACADEMIC AFFAIRS		

Compensation Element Amount Staff Comments

Stipend	\$16,000.00	Annualized stipend reflected. Actual stipend effective July 1, 2008 - June 30, 2009 for additional responsibilities associated with temporary increase in duties to include UNEX responsibilities. Approved by Regents.
GARAMENDI,JOHN RAYMOND II UCM VICE CHANCELLOR- UNIVERSITY RELATIONS		

Compensation Element Amount Staff Comments

Exceptional Vacation accrual		Approved at September 2006 Regents' Meeting in response to RE 74 Corrective Actions - BSA & Internal Audit Finding, Guideline #A-3.
Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
GARVIN,ANTHONY O UCOP ACTING DEPUTY GENERAL COUNSEL		

Compensation Element Amount Staff Comments

Stipend	\$40,870.00	Annualized stipend reflected. Actual stipend effective July 1, 2008 - June 30, 2009 for responsibilities associated with Acting Deputy General Counsel role. Due to administrative error, overpayment of stipend in the amount of \$2,560.83 is being repaid.
GIDDINGS,LELAND M UCSD CHIEF COMPLIANCE OFFICER, PRIVACY OFFICER, AND MEDICAL DIRECTOR FOR CLINICAL RESOURCE MANAGEMENT		

Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$34,980.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
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GIL, GLORIA BROWNING UCOP
MANAGING DIRECTOR - REAL ASSETS

Compensation Element Amount Staff Comments

Treasurer's AIP Plan	\$149,850.00	Treasurer's Annual Incentive Plan: In accordance with Plan document and as approved by President Yudof and Regent Watcher, overall weightings were changed to 20% quantitative (based on Entity performance) and 80% subjective, for this fiscal year only.
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GILLESPIE, MICHAEL J. UCI
HEAD COACH-BASEBALL

Compensation Element Amount Staff Comments

Bonus	\$5,000.00	Incentive bonus Plan: 2008 payout per negotiated contract.
Other Cash Payment	\$6,455.00	Payout based on annual participation in summer camps for youth approved as part of negotiated athletics' contract.

GILLESS, J KEITH UCB
DEAN-COLLEGE OF NATURAL RESOURCES

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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GILLESS, J KEITH UCB
FORMER ACTING DEAN-COLLEGE OF NATURAL RESOURCES

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Stipend	\$40,000.00	Annualized stipend reflected. Actual stipend effective July 1, 2007 - June 30, 2008 for responsibilities associated with Acting Dean - College of Natural Resources role. Approved by The Regents May 2007.
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GLADSON, REBEKAH G. UCI
ASSOCIATE VICE CHANCELLOR AND CAMPUS ARCHITECT-DESIGN AND CONSTRUCTION SERVICES

Compensation Element Amount Staff Comments

Stipend	\$16,800.00	Ongoing stipend for additional duties associated with her role as Project Architect and Construction Coordinator of the Medical Center's seismic replacement hospital project. Effective February 1, 2005 - January 31, 2009.
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GRAY, JOE W LBNL
ASSOCIATE LABORATORY DIRECTOR

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - met five year vesting requirement 04/01/08
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GREGORY, ROBERT UCB
ASSISTANT COACH-FOOTBALL

Compensation Element Amount Staff Comments

Annual Base	\$168,000.00	Base salary approved as part of negotiated athletics' contract.
Other Cash Payment	\$62,000.00	Approved as part of contract. Payout based on standard participation in outside events representing UCB.
Other Cash Payment	\$9,941.00	Payout based on annual participation in summer camps for youth approved as part of negotiated athletics' contract. Includes \$121 retroactive payment from summer 2007.
Other Benefit		Spouse/partner travel to events outside of the Bay Area. Approved as part of negotiated athletics' contract.
Other - Include in Total Cash Compensation	\$5,350.00	Courtesy vehicle approved as part of negotiated athletics' contract.
Other - Include in Total Cash Compensation	\$1,500.00	Sport Club Family Membership approved as part of negotiated athletics' contract. Coach has not availed himself of this benefit.



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Coach - Bonus	\$46,000.00	Includes \$40,000 payment from Tedford Bonus pool and \$6000 for participation in the Emerald Bowl.
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**GREY, ROBERT D. UCR
FORMER ACTING CHANCELLOR**

Compensation Element Amount Staff Comments

Annual Base	\$300,000.00	Annualized rate shown. Appointment began June 29, 2007.
University Housing		Required to live in the Chancellor's residence as approved at the June 2007 Regents' meeting.
Temporary Housing	\$2,228.00	Residence was not available upon appointment.

**GRIFFITHS, DIANE MARIE UCOP
SECRETARY AND CHIEF OF STAFF TO THE REGENTS**

Compensation Element Amount Staff Comments

Executive Disability		As an exception to policy, eligible immediately upon hire. Normally must wait 5 years.
Post Retirement Agreement		Full University contribution for retiree health benefits.

**GRIMES, KEVIN UCB
HEAD COACH-MEN'S SOCCER**

Compensation Element Amount Staff Comments

Annual Base	\$110,000.00	Base salary approved as part of negotiated athletics' contract.
Other Cash Payment	\$90,000.00	Payout based on annual participation in summer camps for youth approved as part of negotiated athletics' contract.
Other Cash Payment	\$5,400.00	Payment in lieu of courtesy vehicle approved as part of negotiated athletics' contract.
Other Benefit		Spouse travel for events outside Bay Area approved as part of negotiated athletics' contract.



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Coach - Bonus	\$27,750.00	Includes \$15,000 signing bonus; \$12,500 for NCAA participation; and \$250 for campus Spot Award.
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GROSSER,JOY MELANIE UCI
FORMER CHIEF INFORMATION OFFICER

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$37,599.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
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GUERRERO,DANIEL GENE UCLA
DIRECTOR, INTERCOLLEGIATE ATHLETICS

Compensation Element Amount Staff Comments

Incentive	\$78,938.00	Supplemental Compensation Opportunities (2007) based on performance related goals set in employment contract.
Other - Include in Total Cash Compensation	\$8,995.00	UCLA Sporting Event Tickets
Other - Include in Total Cash Compensation	\$1,770.00	Spouse Travel
Other - Include in Total Cash Compensation	\$26,361.00	Courtesy Vehicles (imputed income)
Other - Include in Total Cash Compensation	\$3,500.00	Annual Physical Exam. Approved by Regents in May 2008.

HARLOW,SUSAN A. UCR
FORMER ACTING VICE CHANCELLOR-UNIVERSITY ADVANCEMENT

Compensation Element Amount Staff Comments

Stipend	\$38,500.00	Annualized stipend reflected. Actual stipend effective September 9, 2007 - October 15, 2008 for responsibilities associated with Acting Dean - College of Natural Resources role. Extension (25% time from 9/10-10/15/2008) beyond 1 year approved as an exception to policy by Regents 09/2008.
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HARRIS,JOHN P UCSF
CHIEF STRATEGY & BUSINESS DEVELOPMENT OFFICER, MEDICAL CENTER



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$12,414.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

HAVIS,ALLAN UCSD
PROVOST, THURGOOD MARSHALL COLLEGE

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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HAWGOOD,SAMUEL UCSF
INTERIM DEAN, SCHOOL OF MEDICINE

Compensation Element Amount Staff Comments

Stipend	\$181,425.00	Annualized stipend reflected. Actual stipend effective December 1, 2008 - June 30, 2009 necessary to provide market level income. Approved by Regents 09/18/2008.
Health Sciences Compensation Plan	\$195,475.00	Health Sciences Compensation Plan: Payout reduced from \$248,029 to \$195,475. Approved by The Regents 9/18/2008.

HAWKINS,ANGELA M. UCSF
EXECUTIVE DIRECTOR-BUDGET & RESOURCE MANAGEMENT

Compensation Element Amount Staff Comments

Incentive	\$9,662.00	Eligible to participate in Financial & Administrative Services Incentive Plan (FAS) annually with a maximum potential payout of 10%, actual amount based on performance related to goals. Approved under local authority as incumbent's actual total cash was below \$205,000.
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HAYMET,ANTHONY DOUGLAS JOHN UCSD
VICE CHANCELLOR-MARINE SCIENCES, DEAN OF THE GRADUATE SCHOOL OF MARINE SCIENCES & DIRECTOR SCRIPPS INSTITUTION OF OCEANOGRAPHY



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Compensation Element Amount Staff Comments

Executive Disability Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

HAYWARD, BRAD UCOP
FORMER ACTING ASST VICE PRESIDENT, STRATEGIC COMMUNICATIONS

Compensation Element Amount Staff Comments

Bonus \$5,168.00 Departmental bonus, locally approved in February 2008.

Stipend \$20,888.00 Annualized stipend reflected. Actual stipend effective Oct. 22, 2007 - Oct. 21, 2008 for responsibilities associated with Acting Asst Vice President, Strategic Communications role.

HEMMINGER, JOHN C. UCI
DEAN-SCHOOL OF PHYSICAL SCIENCES

Compensation Element Amount Staff Comments

Executive Disability Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

Summer Salary \$18,463.00 Exception allowed by SMG policy. Funded by the Nat'l Science Foundation and Dept of Energy. Per policy, 22 days of vacation was forfeited. Approved by The Regents, July 2008.

HENRICH, CAROLYN ELAINE UCOP
ACTING ASSOCIATE VICE PRESIDENT FOR FEDERAL GOVERNMENT RELATIONS

Compensation Element Amount Staff Comments

Stipend \$33,294.00 Annualized stipend reflected. Actual stipend effective September 1, 2008 - January 31, 2009 for responsibilities associated with Acting Associate Vice President for Federal Government Relations role.

Addendum to Annual Report on Executive Compensation for Calendar Year 2008

HERRON,JAMES R UCI
ASSOCIATE VICE CHANCELLOR-ADMINISTRATION OF HEALTH AFFAIRS

Compensation Element Amount Staff Comments

Executive Disability Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

HINDERY,MICHAEL A UCSF
VICE DEAN-ADMINISTRATION, FINANCE, AND CLINICAL PROGRAMS, SCHOOL OF MEDICINE

Compensation Element Amount Staff Comments

Executive Disability Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

HOFFERBER,SCOTT S. UCSD
CHIEF OPERATING OFFICER - UCSD MEDICAL GROUP

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$30,660.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
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HOGAN,ROBERT W. UCSD
CHIEF FINANCIAL OFFICER-UCSD MEDICAL CENTER

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$37,515.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
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HORWITZ,BARBARA A UCD
ACTING PROVOST AND EXECUTIVE VICE CHANCELLOR

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Stipend	\$36,600.00	Annualized stipend reflected. Actual stipend effective July 1, 2007 - December 31, 2008 for responsibilities associated with Acting Provost and Executive Vice Chancellor role. Extension beyond 1 year approved as exception to policy by Regents 05/14/08.
Executive Auto Allowance	\$8,916.00	Continuation of allowance due to the continued expectation that Ms. Horwitz will be serving at 100% time for a total of 18 months performing the full scope of this position which, on a permanent basis, is eligible under policy for auto allowance.

**HORWITZ, BARBARA A UCD
VICE PROVOST - ACADEMIC PERSONNEL**

Compensation Element Amount Staff Comments

Annual Base	\$244,000.00	Only compensation reflected for the acting appointment is paid while serving in an acting capacity.
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**HOWLAND, BENJAMIN CLARK UCLA
HEAD COACH, MEN'S BASKETBALL**

Compensation Element Amount Staff Comments

Annual Base	\$300,000.00	Base salary approved as part of negotiated athletics' contract.
Incentive	\$75,000.00	2007 Season Incentive approved as part of negotiated athletics' contract. Payout based on identified levels of team performance.
Other Cash Payment	\$1,670,000.00	Approved as part of contract. Payout based on standard participation in outside events representing UCLA.
Other Cash Payment	\$120,842.00	Payout based on annual participation in summer camps for youth approved as part of negotiated athletics' contract.
Other - Include in Total Cash Compensation	\$9,024.00	UCLA Sporting Event Tickets
Other - Include in Total Cash Compensation	\$1,070.00	Spouse Travel
Other - Include in Total Cash Compensation	\$26,285.00	Two Courtesy Vehicles (imputed income). Approved by Regents July 2006.

**HSU, STELLA Y UCSF
ASSOCIATE VICE CHANCELLOR-CAMPUS LIFE SERVICES AND INTERIM ASSOCIATE VICE CHANCELLOR-FACILITIES MANAGEMENT**



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Compensation Element Amount Staff Comments

Stipend	\$27,430.00	Annualized stipend reflected. Actual stipend effective April 1, 2008 - March 31, 2009 for responsibilities associated with Associate Vice Chancellor-Campus Life Services and Interim Associate Vice Chancellor-Facilities Management roles. Approved by Regents 07/17/2008.
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HUGHES,DAVID DOUGLAS UCOP
INVESTMENT OFFICER-EXTERNALLY MANAGED INVESTMENTS

Compensation Element Amount Staff Comments

Treasurer's AIP Plan	\$46,940.00	Treasurer's Annual Incentive Plan: In accordance with the Plan document, and as approved by the President Yudof and Regent Watcher, overall weightings were changed to 50% Entity and 50% Subjective, and the subjective award was NOT contingent on quantitative measures, for this fiscal year only.
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IRWIN,MICHAEL D UCSF
INTERIM ASSOCIATE VICE CHANCELLOR-UNIVERSITY DEVELOPMENT AND ALUMNI RELATIONS

Compensation Element Amount Staff Comments

Stipend	\$36,320.00	Annualized stipend reflected. Actual stipend effective September 20, 2008 - September 19, 2009 for responsibilities associated with Interim Associate Vice Chancellor-University Development and Alumni Relations role. Approved by the Chancellor under delegated authority.
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Bonus	\$9,080.00	Eligible to participate in Staff Recognition & Development Plan annually with a maximum potential payout of up to 10% of base salary. Approved under local authority as incumbent's actual total cash was below \$205,000. Stipend began 09/20/08 bringing salary total cash compensation over ICL.
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ISAACSON,MICHAEL SAUL UCSC
ACTING DEAN SCHOOL OF ENGINEERING

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Stipend	\$41,247.00	Annualized stipend reflected. Actual stipend effective July 1, 2008 - June 30, 2009 for responsibilities associated with Acting Dean - School of Engineering role. Exception to policy (prior to policy change) for 20% stipend approved by Regents 07/17/08.
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JACKIEWICZ, THOMAS EDWARD UCSD
ASSOCIATE VICE CHANCELLOR AND CHIEF FINANCIAL OFFICER - HEALTH SCIENCES

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$73,500.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
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Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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JACKSON, RUTH M. UCR
UNIVERSITY LIBRARIAN

Compensation Element Amount Staff Comments

MOP Loan		Eligibility to participate in the University's Home Loan Program approved by The Regents as an exception to policy. Provided as part of a retention package.
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JEWELL, NICHOLAS PATRICK UCOP
FORMER VICE PROVOST - ACADEMIC PERSONNEL

Compensation Element Amount Staff Comments

Annual Base	\$263,750.00	Appointment end date was 08/31/2008.
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Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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JONES, DAVID EVAN UCSC
ACTING DEAN OF THE ARTS

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Stipend	\$15,334.00	Annualized stipend reflected. Actual stipend effective September 16, 2008 - June 30, 2009 for responsibilities associated with Acting Dean of the Arts role.
Other Cash Payment	\$33,549.00	Annualized College Provost compensation reflected. Maintains 25% appointment as Provost while serving as Acting Dean of the Arts at 75%.
University Housing		Campus Academic Personnel Manual (CAPM) 306.240 requires the College Provost to live in the college residence where provided. This requirement is a part of his .25 appointment as College Provost, and not related to the Acting Dean appointment.

JONES, KENNETH M UCSF
CHIEF FINANCIAL OFFICER, MEDICAL CENTER

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$22,265.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
Severance/Separation Agreement	\$353,900.00	12 months of pay if University terminates incumbent for other than just cause. Per offer letter from 2001. Offer letter pre-dates need for Regental approval. This component was approved locally.

KAMIENIECKI, SHELDON UCSC
DEAN, SOCIAL SCIENCES

Compensation Element Amount Staff Comments

Executive Disability Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

KAY, STEVE A UCSD
DEAN - DIVISION OF BIOLOGICAL SCIENCES

Compensation Element Amount Staff Comments

Executive Disability Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

KEASLING, JAY D LBNL
SCIENTIFIC DIVISION DIRECTOR FACULTY



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Compensation Element Amount Staff Comments

Stipend	\$44,280.00	Stipend used strictly as method of payment for this ongoing assignment as Scientific Div/Dir - Faculty. LBNL reimburses UCB for 100% of his base salary for 9 months and pays 100% during the 3 summer months. Campus administers base pay and benefits.
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KING, RONALD L UCI
CHIEF FINANCIAL OFFICER - HEALTH AFFAIRS

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$60,518.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
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KLOVE, CAROLE A UCLA
CHIEF COMPLIANCE OFFICER -- UCLA HOSPITAL SYSTEM

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$38,244.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
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Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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KOSHLAND, CATHERINE P UCB
VICE PROVOST-ACADEMIC PLANNING AND FACILITIES

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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KRAUS, DAVID V. UCSD
CHIEF CONTRACTING OFFICER-MEDICAL CENTER

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Incentive	\$16,042.00	Per policy, as a member of medical center management, is eligible for annual incentive payment up to 10% of base salary, based on performance as judged against predetermined goals in key results areas.
Other One-Time Payment	\$5,000.00	Payment as UNEX instructor

KRUPNICK, JAMES T LBNL
CHIEF OPERATING OFFICER

Compensation Element Amount Staff Comments

Executive Disability		Per policy eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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KWAN, LUCIA UCSF
DIRECTOR-REVENUE CYCLE SERVICES, MEDICAL CENTER

Compensation Element Amount Staff Comments

Other Cash Payment	\$4,326.00	Paid Time Off payment. Per UCSF Medical Center PTO policy approved by Assoc VP-HR & Benefits in 2004.
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LACY, WILLIAM B UCD
VICE PROVOST - UNIVERSITY OUTREACH AND INTERNATIONAL PROGRAMS

Compensation Element Amount Staff Comments

Exceptional Vacation accrual		Approved at September 2006 Regents' Meeting in response to RE 74 Corrective Actions - BSA & Internal Audit Finding, Guideline #A-3.
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LADUSAW, WILLIAM A UCSC
VICE PROVOST AND DEAN, UNDERGRADUATE EDUCATION

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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Addendum to Annual Report on Executive Compensation for Calendar Year 2008

LAPP, KATHERINE N UCOP
EXECUTIVE VICE PRESIDENT - BUSINESS OPERATIONS

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
Relocation Allowance	\$45,000.00	Per policy, Total \$90,000: 23.7% of current base salary to be paid out in 3 annual payments: 50/30/20% of total. If she terminates before 3 years remaining payments are forfeited. The payment amount issued in 2008 was \$45,000.
Moving Expenses - Other-Incl in Total Cash Comp	\$289.00	Per policy and approved by the Regents in conjunction with appointment, reimbursement for additional moving expenses.

LARET, MARK R UCSF
CHIEF EXECUTIVE OFFICER, MEDICAL CENTER

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$30,389.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
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LARSEN, JULIANNE JOY UCSD
ACTING ASSOC VC UNIVERSITY DEVELOPMENT

Compensation Element Amount Staff Comments

Stipend	\$26,130.00	Administrative stipend in the amount of 15% for additional duties as Acting Assoc VC Univ Development.
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LAVERNIA, ENRIQUE J UCD
DEAN - COLLEGE OF ENGINEERING

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Summer Salary	\$20,567.00	Exception allowed by SMG policy, payment for summer research conducted in July 2008 and funded by the Office of Naval Research and Army Research Office. Per policy, equivalent number of days of vacation was forfeited (22 days). Approved by The Regents, July 2008.
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LAWRENCE,JANE FIORI UCM
VICE CHANCELLOR- STUDENT AFFAIRS

Compensation Element Amount Staff Comments

Exceptional Vacation accrual		Approved at September 2006 Regents' Meeting in response to RE 74 Corrective Actions - BSA & Internal Audit Finding, Guideline #A-3.
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LE GRANDE,HARRY UCB
FORMER ACTING VICE CHANCELLOR-STUDENT AFFAIRS

Compensation Element Amount Staff Comments

Stipend	\$36,344.00	Annualized stipend reflected. Actual stipend effective January 1, 2007 - May 31, 2008 for responsibilities associated with Acting Vice Chancellor-Student Affairs role. Extension approved as exception to policy due to duration beyond 1yr at January 2008 Regents meeting.
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LE GRANDE,HARRY UCB
VICE CHANCELLOR-STUDENT AFFAIRS

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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LENZ,PATRICK JAMES UCOP
VICE PRESIDENT - BUDGET

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit. Will be eligible 2/11/2013.
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Addendum to Annual Report on Executive Compensation for Calendar Year 2008

LEVEY, GERALD S. UCLA
VICE CHANCELLOR -- MEDICAL SCIENCES & DEAN -- SCHOOL OF MEDICINE

Compensation Element Amount Staff Comments

Health Sciences Compensation Plan	\$207,000.00	Per policy, eligible to participate in Health Sciences Compensation Plan.
Other - Include in Total Cash Compensation	\$234.00	Regency Club Membership: Primarily used for business. Some personal usage, prorated and calculated as imputed income in 2008.

LEVI, DENNIS M. UCB
DEAN-SCHOOL OF OPTOMETRY

Compensation Element Amount Staff Comments

Exceptional Vacation accrual		Approved at September 2006 Regents' Meeting in response to RE 74 Corrective Actions - BSA & Internal Audit Finding, Guideline #A-3.
Relocation Allowance	\$9,400.00	To be paid over 8 years with lump sum of \$75,000 in year seven. The total payout is \$150,000. Effective July 1, 2001 - June 30, 2009. \$9,400 reflects the amount paid in 2007. Approved as exception by Provost King and disclosed to The Regents in July 2001.
Summer Salary	\$18,583.00	Exception allowed by SMG policy, payment for 21 days of summer research conducted in July and August 2008, and funded by the National Eye Institute. Per policy, 21 days of vacation was forfeited. Approved by The Regents, July 2008.

LEVINE, HAROLD G. UCD
DEAN-SCHOOL OF EDUCATION

Compensation Element Amount Staff Comments

Stipend	\$37,360.00	Annualized stipend reflected. Actual stipend effective October 1, 2007 - March 31, 2009 for additional duties assisting UCOP with educational initiatives; the development of an educational imperative initiative; and creation and implementation of UC system-wide strategies for a coordinated and ongoing engagement with California's public P-12 educational system. Extension approved by The Regents as exception to policy for duration beyond 1yr.
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LIE, JOHN UCB
DEAN-INTERNATIONAL AND AREA STUDIES



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Compensation Element Amount Staff Comments

Exceptional Vacation accrual		Approved at September 2006 Regents' Meeting in response to RE 74 Corrective Actions - BSA & Internal Audit Finding, Guideline #A-3.
Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
Sabbatical Payment/Transfer		One additional sabbatical credit accrued each year from July 1, 2004 - June 30, 2006 to balance lower initial salary offer. Approved retroactively by The Regents at their November 2006 meeting.

LIEKWEG,RICHARD J UCSD
ASSOCIATE VICE CHANCELLOR AND CHIEF EXECUTIVE OFFICER-UCSD MEDICAL CENTER

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$88,725.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
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LIMA,CYNTHIA G UCSF
EXECUTIVE DIRECTOR-ADMINISTRATION, MEDICAL CENTER

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$17,696.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by the Chancellor and reported to the Regents at the November 2008 meeting in the Bi-Monthly Transaction Monitoring Report.
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LIU,AILEEN UCOP
ASSOCIATE DIRECTOR

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

		Treasurer's Annual Incentive Plan: In accordance with the Plan document, and as approved by the President and Regent Watcher, overall weightings were changed to 50% Entity and 50% Subjective, and the subjective award was NOT contingent on quantitative measures, for this fiscal year only.
Treasurer's AIP Plan	\$62,590.00	

LOPEZ,RANDY L UCSF
INTERIM VICE CHANCELLOR-FINANCE AND ADMINISTRATION

Compensation Element Amount Staff Comments

		Annualized stipend reflected. Actual stipend effective July 1, 2008 - June 30, 2009 for responsibilities associated with Interim Vice Chancellor-Finance and Administration role. Approved by Regents 07/17/2008.
Stipend	\$41,625.00	

LOTENERO,LAWRENCE J UCSF
CHIEF INFORMATION OFFICER, MEDICAL CENTER

Compensation Element Amount Staff Comments

		Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
Clinical Enterprise Management Recognition Program	\$1,865.00	
		12 months of pay if the University terminates the incumbent for other than just cause. Per offer letter from 2001. Offer letter pre-dates need for Regental approval. This component was approved locally.
Severance/Separation Agreement	\$255,900.00	

LOUIS,CHARLES FRANCIS UCR
VICE CHANCELLOR-RESEARCH

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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LU,SUSIE L. UCLA
ASSOCIATE DIRECTOR, OPERATIONS-OUTPATIENT/ANCILLARY SERVICES, UCLA HOSPITAL SYSTEM

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Clinical Enterprise Management Recognition Program	\$34,442.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by Chancellor November 2008 and reported to The Regents November 2008 in the Bi-Monthly Transaction Monitoring Report.
Relocation Allowance	\$16,125.00	Allowance of 25% of base salary (\$53,750) to be paid over a period of four years.

LURQUIN, THOMAS JOHAN UCOP
DIRECTOR-PRIVATE EQUITY

Compensation Element Amount Staff Comments

Treasurer's AIP Plan	\$147,840.00	Treasurer's Annual Incentive Plan: Actual pay-out is based on targets established at the beginning of the Plan year. Approved by President Yudof August 29, 2008.
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LYONS, RICHARD K UCB
DEAN-HAAS SCHOOL OF BUSINESS

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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MACIAS, REYNALDO FLORES UCLA
ACTING DEAN, DIVISION OF SOCIAL SCIENCES, COLLEGE

Compensation Element Amount Staff Comments

Stipend	\$31,600.00	Annualized stipend reflected. Actual stipend effective January 1, 2007 - September 30, 2009, for responsibilities associated with Acting Dean - Division of Social Sciences, College role. Extension approved by the Regents 11/2008 as exception to policy for duration beyond 1yr.
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MAHANEY, TIMOTHY M UCSF
EXECUTIVE DIRECTOR-SUPPORT SERVICES, MEDICAL CENTER

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Clinical Enterprise Management Recognition Program	\$18,330.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by the Chancellor and reported to the Regents November 2008 in the Bi-Monthly Transaction Monitoring Report.
Other Cash Payment	\$10,452.00	Paid Time Off payment. 2008 payout per UCSF Med Ctr PTO policy approved by Assoc. VP-HR & Benefits in 2004.

**MAJUMDAR, ARUNAVA LBNL
SCIENTIFIC DIVISION DIRECTOR FACULTY**

Compensation Element Amount Staff Comments

Stipend	\$29,880.00	Stipend used strictly as method of payment for this ongoing assignment as Scientific Div/Dir - Faculty. LBNL reimburses UCB for 50% of his base salary for 9 months and pays 100% during the 3 summer months. Campus administers base pay and benefits.
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**MANDLE, JONATHAN R UCOP
INVESTMENT OFFICER-ABSOLUTE RETURNS**

Compensation Element Amount Staff Comments

Treasurer's AIP Plan	\$103,100.00	Treasurer's Annual Incentive Plan: Actual pay-out is based on targets established at the beginning of the Plan year. Approved by President Yudof August 29, 2008.
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**MANGUN, GEORGE R UCSD
ACTING DEAN - SOCIAL SCIENCES**

Compensation Element Amount Staff Comments

Annual Base	\$278,460.00	In addition to the Dean salary at 85% (\$246,653), he is also receiving \$31,807 for his 15% appointment at the School of Medicine.
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**MARGON, BRUCE H UCSC
VICE CHANCELLOR, RESEARCH**

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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Addendum to Annual Report on Executive Compensation for Calendar Year 2008

MARSHALL, DAVID B UCSB
EXECUTIVE DEAN COLLEGE OF LETTERS & SCIENCE, DEAN, DIVISION OF HUMANITIES AND FINE ARTS

Compensation Element Amount Staff Comments

Stipend	\$40,000.00	Annualized stipend reflected. Actual stipend effective October 1, 2005 - September 30, 2011 for responsibilities associated with Executive Dean College of Letters & Science, Dean, Division of Humanities and Fine Arts role in addition to role as Dean-Division of Humanities & Fine Arts. Approved by the Regents.
Summer Salary	\$18,158.00	As an exception allowed by SMG policy, payment for 21 days of summer research conducted in August. 2008. Per policy 21 days of vacation was forfeited. Research for book.

MARSHALL, SALLY J UCSF
VICE PROVOST-ACADEMIC AFFAIRS

Compensation Element Amount Staff Comments

Health Sciences Compensation Plan	\$16,300.00	Per policy, eligible to participate in Health Sciences Compensation Plan.
Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

MARTIN, WILLIAM W UCLA
HEAD COACH, MEN'S TENNIS

Compensation Element Amount Staff Comments

Annual Base	\$104,500.00	Base salary approved as part of negotiated athletics' contract.
Other Cash Payment	\$196,540.00	Payout based on annual participation in summer camps for youth approved as part of negotiated athletics' contract.
Other - Include in Total Cash Compensation	\$1,153.00	UCLA Sporting Event Tickets
Other - Include in Total Cash Compensation	\$3,300.00	Courtesy Vehicle (imputed income). Approved by Regents in January 2007.

MASLACH ZIMBARDO, CHRISTINA UCB



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

FORMER ACTING DEAN-UNDERGRADUATE DIVISION

Compensation Element Amount Staff Comments

Stipend	\$27,000.00	Annualized stipend reflected. Actual stipend effective July 1, 2007 - June 30, 2008 for responsibilities associated with Acting Dean - Undergraduate Division role. She will then resume duties as Vice Provost-Undergrad Ed & Instructional Technology.
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MATHIES,RICHARD A UCB
DEAN-COLLEGE OF CHEMISTRY

Compensation Element Amount Staff Comments

Executive Disability	Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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MATTHEWS,GARY CLIFFORD UCSD
VICE CHANCELLOR - RESOURCE MANAGEMENT AND PLANNING

Compensation Element Amount Staff Comments

Executive Disability	Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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MC GINTY,FELICIA ELAINE UCSC
VICE CHANCELLOR, STUDENT AFFAIRS

Compensation Element Amount Staff Comments

Executive Disability	Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.	
Moving Expenses - Other-Incl in Total Cash Comp	\$1,386.00	Reimbursement for additional moving expenses for move from Pennsylvania, per policy.
Moving Expenses - Shipment of Household Goods	\$1,670.00	Payment for shipment of household goods from Pennsylvania, per policy.

MC GOWAN,WILLIAM H UCD
CHIEF FINANCIAL OFFICER - UC DAVIS MEDICAL CENTER



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$55,400.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
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MCAFEE, THOMAS VARDON UCSD
DEAN - CLINICAL AFFAIRS, HEALTH SCIENCES

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$67,080.00	Eligible to participate in CEMRP annually with a maximum potential of 20%. Actual amount based on performance related to goals. Approved by Regents November 2008.
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MCGUIRE, NEIL J. UCB
HEAD COACH - WOMEN'S SOCCER

Compensation Element Amount Staff Comments

Annual Base	\$108,150.00	Base salary approved as part of negotiated athletics' contract.
Other Cash Payment	\$29,355.00	Payout based on annual participation in summer camps for youth approved as part of negotiated athletics' contract.
Coach - Bonus	\$3,000.00	For participation in the NCAA tournament

MCKEEVER, TERI J UCB
HEAD COACH-WOMEN'S SWIMMING

Compensation Element Amount Staff Comments

Annual Base	\$127,228.00	Base salary approved as part of negotiated athletics' contract.
Other Cash Payment	\$11,393.00	Payout based on annual participation in summer camps for youth approved as part of negotiated athletics' contract.
Other Cash Payment	\$15,000.00	Approved as part of contract. Payout based on standard participation in outside events representing UCB.
Other Cash Payment	\$40,000.00	Athletic Equipment supplier agreement approved as part of negotiated athletics' contract.



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Exceptional Vacation accrual Approved as part of negotiated athletics' contract.

Coach - Bonus \$8,500.00 For participation in the NCAA tournament.

MERKLEY,CALVIN L UCSC
FORMER VICE PROVOST, INFORMATION TECHNOLOGY

Compensation Element Amount Staff Comments

Annual Base \$201,100.00 Last day on pay status 3/7/08

MICHALCZIK,JIM UCB
ASSISTANT COACH - FOOTBALL

Compensation Element Amount Staff Comments

Annual Base \$135,000.00 Annualized base salary approved as part of negotiated athletics' contract.

Other Cash Payment \$40,000.00 Approved as part of contract. Payout based on standard participation in outside events representing UCB.

Other Cash Payment \$9,942.00 For participation in summer camps. Includes \$121 payment from 2007 summer camp.

Coach - Bonus \$31,000.00 Includes \$25,000 from Tedford bonus pool and \$6000 for participation in the Emerald Bowl.

MIDANIK,LORRAINE T UCB
DEAN - SCHOOL OF SOCIAL WELFARE

Compensation Element Amount Staff Comments

Executive Disability Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

MILLER,MARY E UCM
VICE CHANCELLOR-ADMINISTRATION

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Executive Disability

Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

MINEAR, MICHAEL N UCD
CHIEF INFORMATION OFFICER, DAVIS CAMPUS HEALTH SYSTEM

Compensation Element Amount Staff Comments

Annual Base	\$310,000.00	Monthly amount corrected so that annual salary will match amount approved by Regents. (Corrected from \$310,008 to \$310,000 on 10/20/2008).
Clinical Enterprise Management Recognition Program	\$32,000.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.

MOORE, SUSAN B UCSF
DIRECTOR-FINANCE AND ACCOUNTING, MEDICAL CENTER

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$16,415.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by the Chancellor and reported to the Regents November 2008 in the Bi-Monthly Transaction Monitoring Report.
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MORAN, DENNIS J UCSD
CHIEF PROFESSIONAL SERVICES OFFICER

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$29,700.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
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MORGAN, DAVID R. UCSF
EXECUTIVE DIRECTOR-AMBULATORY CARE SERVICES, MEDICAL CENTER

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Clinical Enterprise Management Recognition Program	\$17,816.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by the Regents November 2008 in the Bi-Monthly Transaction Monitoring Report.
Other Cash Payment	\$1,907.00	2008 payout per UCSF Med Ctr PTO policy approved by Assoc. VP-HR & Benefits in 2004.

MORSE, MARGARET E UCSC
FORMER ACTING DEAN - ARTS DIVISION

Compensation Element Amount Staff Comments

Stipend	\$19,800.00	Annualized stipend reflected. Actual stipend effective Sept. 15, 2007 - June 30, 2008 for responsibilities associated with Acting Dean - Arts Division role.
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MUNOZ, SANTIAGO III UCOP
ASSOCIATE VICE PRESIDENT-CLINICAL SERVICES DEVELOPMENT

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$30,210.00	CEMRP: Approved at November 2008 Regents' meeting. Actual payout is based on goals and objectives established at the beginning of the plan year.
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MURPHY, DONNA MARIE UCSC
VICE CHANCELLOR, UNIVERSITY RELATIONS

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
Relocation Allowance	\$10,160.00	Per policy, relocation allowance paid out in decreasing increments over 4 years in support of move from Oklahoma.

NACHT, MICHAEL UCB
DEAN-GOLDMAN SCHOOL OF PUBLIC POLICY

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Annual Base	\$200,500.00	Stepped down as dean 6/30/2008.
Other Cash Payment	\$12,956.00	Payment for 8.5 days of consulting at Lawrence Livermore National Laboratory during April and May 2008. Since LLNL is no longer a UC entity, such consulting is allowable under the policy on Outside Professional Activities and not considered to be an exception. Per agreement with UCOP administration, any such consulting payments from LLNL for UC employees are paid through the UC payroll system.
Exceptional Vacation accrual		Approved at September 2006 Regents' Meeting in response to RE 74 Corrective Actions - BSA & Internal Audit Finding, Guideline #A-3.

NADAF-RAHROV,SORENA UCSF
CHIEF INFORMATICS OFFICER-CANCER CENTER

Compensation Element Amount Staff Comments

Other Cash Payment	\$1,000.00	Honorarium was paid in error. By policy, incumbent is ineligible to receive the honorarium. Incumbent is reimbursing the university. This payment is being reported in order to reconcile W-2 expense reporting for 2008 calendar year.
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NATION,CATHRYN L UCOP
ASSOCIATE VICE PRESIDENT - HEALTH SCIENCES

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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NEUHEISEL,RICHARD GERALD UCLA
HEAD FOOTBALL COACH

Compensation Element Amount Staff Comments

Other Cash Payment	\$1,000,000.00	Talent Fee
Other Cash Payment	\$15,033.00	Summer Camp Income
Other - Include in Total Cash Compensation	\$3,196.00	Rose Bowl Suite for use by coach's immediate family.
Other - Include in Total Cash Compensation	\$21,124.00	Courtesy Vehicle (imputed income)



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Other - Include in Total Cash Compensation \$8,534.00 UCLA Sporting Event Tickets

**NEUMAN,DEBRA G. UCSD
VICE CHANCELLOR-EXTERNAL RELATIONS**

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
Relocation Allowance	\$36,875.00	Relocation allowance in the amount of \$73,750 to be distributed over 2 years in equal payments of \$36,875.00. Subject to repayment if resigns within first 4 years.
Temporary Housing	\$5,478.00	Includes \$1,488 for cost of La Jolla Del Sol faculty and staff apartment complex and \$3,990 for additional hotel, meals and other expenses upon arrival to San Diego.
Moving Expenses - Initial Househunting	\$5,017.00	One coach-fare house hunting trip.
Moving Expenses - Family's Move	\$1,175.00	Family travel expense to move to San Diego.
Moving Expenses - Other-Incl in Total Cash Comp	\$699.00	Airfare to retrieve auto from Atlanta.
Moving Expenses - Moving Services	\$18,991.00	Moving services required to move to San Diego.

**NEUMARK,DANIEL M LBNL
SCIENTIFIC DIVISION DIRECTOR FACULTY**

Compensation Element Amount Staff Comments

Stipend	\$28,900.00	Stipend used strictly as method of payment for this ongoing assignment as Scientific Div/Dir - Faculty. LBNL reimburses UCB for 50% of his base salary for 9 months and pays 100% during the 3 summer months. Campus administers base pay and benefits.
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**NINEMIRE,DIANE L UCB
HEAD COACH-SOFTBALL**

Compensation Element Amount Staff Comments

Annual Base	\$136,875.00	Base salary approved as part of negotiated athletics' contract.
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Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Other Cash Payment	\$6,000.00	Athletic Equipment supplier consideration approved as part of negotiated athletics' contract. Includes \$3000 payment from 2007.
Exceptional Vacation accrual		Approved as part of negotiated athletics' contract.
Coach - Bonus	\$25,000.00	For participation in NCAA tournament.

NISBET, MARY UCSB
ACTING DEAN, UNDERGRADUATE EDUCATION

Compensation Element Amount Staff Comments

Stipend	\$38,778.00	Annualized stipend reflected. Actual stipend effective September 1, 2008 - August 31, 2009 for responsibilities associated with Acting Dean - Undergraduate Education role. Approved by The Regents.
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NORRIS, JANET C. UCOP
ACTING DEPUTY GENERAL COUNSEL

Compensation Element Amount Staff Comments

Stipend	\$14,336.00	Annualized stipend reflected. Actual stipend effective July 1, 2008 - June 30, 2009 for responsibilities associated with Acting Deputy General Counsel role. Due to administrative error, overpayment of stipend in the amount of \$1,231.79 is being repaid.
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NOSEK, STANLEY E JR UCD
VICE CHANCELLOR - ADMINISTRATION

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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NYAMATHI, ADELIN M UCLA
ACTING DEAN -- SCHOOL OF NURSING

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Stipend	\$28,100.00	Annualized stipend reflected. Actual stipend effective March 1, 2008 - July 31, 2008 for responsibilities associated with Acting Dean - School of Nursing role. Approved by Regents 5/2008.
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O'KELLEY, JOHN SHANNON UCLA
ASSOCIATE DIRECTOR, OPERATIONS -- CLINICAL SERVICES, UCLA HOSPITAL SYSTEM

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$35,825.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by Chancellor November 2008 and reported to The Regents November 2008 in the Bi-Monthly Transaction Monitoring Report.
Relocation Allowance	\$10,750.00	Per policy, relocation allowance of \$53,750 to be paid over a period of four years. Approved by Regents September 2006.

O'NEILL, GEOFFREY A UCOP
ASSISTANT VICE PRESIDENT - INSTITUTIONAL ADVANCEMENT

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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ODATO, DAVID UCSF
EXECUTIVE DIRECTOR-PATIENT & EMPLOYEE SERVICES, MEDICAL CENTER

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$19,566.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by the Chancellor and reported to the Regents November 2008 in the Bi-Monthly Transaction Monitoring Report.
Other Cash Payment	\$10,138.00	Paid Time Off payment. Per UCSF Medical Center PTO policy approved by Assoc VP-HR & Benefits in 2004.

OLIAN, JUDY D. UCLA
DEAN -- ANDERSON SCHOOL OF MANAGEMENT



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Compensation Element Amount Staff Comments

Other Cash Payment	\$50,000.00	Annual housing differential approved in Regents' Item RE 74 Guideline #A-2 at September 2006 meeting.
Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
Relocation Allowance	\$29,166.00	Per policy, relocation allowance of \$87,500 to be paid in installments over 3 years.

OLIVER, MELVIN L UCSB
DEAN, DIVISION OF SOCIAL SCIENCES

Compensation Element Amount Staff Comments

Summer Salary	\$17,825.00	As a exception allowed by SMG policy, payment for 24 days of summer research on research on homeownership and equity accumulation was conducted in 2008 and funded by campus unrestricted funds. Per policy, 24 days of vacation was forfeited. Approved by The Regents, July 2008.
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ORESQUES, NAOMI UCSD
PROVOST-SIXTH COLLEGE

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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ORLOWSKI, ANNA UCD
CHIEF HEALTH SCIENCES COUNSEL

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$13,853.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by the Chancellor and reported to the Regents November 2008 in the Bi-Monthly Transaction Monitoring Report.
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OWEN, WILLIAM G UCB
FORMER DEAN-BIOLOGICAL SCIENCES



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Compensation Element Amount Staff Comments

Annual Base \$217,400.00 Retired 6/28/2008

PALLAVICINI,MARIA GEORGINA UCM
DEAN - NATURAL SCIENCES

Compensation Element Amount Staff Comments

Annual Base \$203,400.00

Effective September 1, 2008-December 31, 2008 Dean Pallavicini served as Dean (.60FTE) and Vice Provost for Health Sciences (.40FTE; Non-SMG/Academic post). Additional compensation earned from 9-12/08 totalled \$1333 of which \$1000 was received in 2008, for annual compensation of \$204,400. The remaining \$333 earned in 2008 was paid in her December paycheck which was received in January 2009. The appointment was discussed with UCOP and SMG Administrators prior to implementation.

PARK,DANIEL W UCSD
CHIEF CAMPUS COUNSEL AND ASSOCIATE GENERAL COUNSEL

Compensation Element Amount Staff Comments

Executive Disability Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

Other One-Time Payment \$2,400.00 Payment as UNEX instructor.

PARK,NO-HEE UCLA
DEAN -- SCHOOL OF DENTISTRY

Compensation Element Amount Staff Comments

Health Sciences Compensation Plan \$66,500.00 Per policy, eligible to participate in Health Sciences Compensation Plan.

Summer Salary \$15,942.00 As an exception allowed by SMG policy, payment for summer research conducted in August 2008 and partially funded by National Institutes of Health. Per policy, equivalent number of days of vacation was forfeited. Approved by The Regents, July 2008.

PEARSON,P DAVID UCB



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

DEAN-GRADUATE SCHOOL OF EDUCATION

Compensation Element Amount Staff Comments

Exceptional Vacation accrual		Approved at September 2006 Regents' Meeting in response to RE 74 Corrective Actions - BSA & Internal Audit Finding, Guideline #A-3.
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PECKENPAUGH,RUSSELL L UCSF
DIRECTOR-INFORMATION TECHNOLOGY, MEDICAL CENTER

Compensation Element Amount Staff Comments

Other Cash Payment	\$9,200.00	Paid Time Off payment. Per UCSF Medical Center PTO policy approved by Assoc VP-HR & Benefits in 2004.
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PLOTTS,JOHN E UCOP
ASST VP--FINANCIAL MANAGEMENT

Compensation Element Amount Staff Comments

Incentive	\$23,611.00	Performance incentive pay for review period ending June 30, 2007. Incentive pay approved by the Board of Regents at their meeting of January 2008.
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POLICANO,ANDREW JOHN UCI
DEAN-PAUL MERAGE SCHOOL OF BUSINESS

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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POMEROY,CLAIRE UCD
VICE CHANCELLOR - HUMAN HEALTH SCIENCES AND DEAN - SCHOOL OF MEDICINE

Compensation Element Amount Staff Comments

Health Sciences Compensation Plan	\$75,000.00	Health Sciences Comp Plan, monthly payments of \$6250 come to \$75,000 in 2008.
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Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Clinical Enterprise Management Recognition Program	\$84,380.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
Exceptional Vacation accrual		Approved at September 2006 Regents' Meeting in response to RE 74 Corrective Actions - BSA & Internal Audit Finding, Guideline #A-3.

PRICE, ROBERT M UCB
INTERIM VICE CHANCELLOR-RESEARCH

Compensation Element Amount Staff Comments

Annual Base	\$129,600.00	The amount is a fiscal year faculty salary.
Stipend	\$110,100.00	Annualized stipend reflected. Actual stipend effective November 1, 2008 - June 30, 2009 for responsibilities associated with Interim Vice Chancellor-Research role. Approved by Regents 11/2008.

PURCELL, ALEXIS H UCSF
FORMER SENIOR ASSOCIATE DEAN-ADMINISTRATION & FINANCE, SCHOOL OF DENTISTRY

Compensation Element Amount Staff Comments

Incentive	\$28,470.00	School of Dentistry Management Incentive Program: 2008 payment for performance related achievement. Approved and paid on 10/10/08 consistent with September 2008 Regents' approved delegated authority to the campus.
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PUTNAM, THOMAS MILTON III UCSB
ASSOCIATE VICE CHANCELLOR - INFORMATION TECHNOLOGY AND CHIEF INFORMATION OFFICER

Compensation Element Amount Staff Comments

Annual Base	\$200,000.00	Annualized rate shown. Appointment began Aug. 15, 2007.
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QUIGLEY, JOHN M UCB
FORMER ACTING DEAN-GOLDMAN SCHOOL OF PUBLIC POLICY

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Stipend	\$54,000.00	Annualized stipend reflected. Actual stipend effective July 1, 2008 - December 31, 2009 for responsibilities associated with Acting Dean-Goldman School of Public Policy role. Approved by Regents.
<p>RABENSTEIN,DALLAS L. UCR FORMER DEAN-GRADUATE DIVISION</p> <p>Compensation Element Amount Staff Comments</p>		
Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
<p>RAYBURN,SUSAN J. UCI EXECUTIVE DIRECTOR OF CLINICAL ENTERPRISE</p> <p>Compensation Element Amount Staff Comments</p>		
Clinical Enterprise Management Recognition Program	\$28,401.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
<p>RECKER,TIMOTHY JACOB UCOP MANAGING DIRECTOR-PRIVATE EQUITY INVESTMENTS</p> <p>Compensation Element Amount Staff Comments</p>		
Treasurer's AIP Plan	\$180,800.00	Treasurer's Annual Incentive Plan: Actual pay-out is based on targets established at the beginning of the Plan year. Approved by President Yudof August 29, 2008.
MOP Loan		Approved as non-standard title.
<p>REIN,DAVID UCSF INTERIM CLINICAL COMPLIANCE OFFICER AND DIRECTOR-FACULTY MEDICAL GROUP, SCHOOL OF MEDICINE</p> <p>Compensation Element Amount Staff Comments</p>		
Stipend	\$26,910.00	Annualized stipend reflected. Actual stipend effective September 1, 2008 - August 31, 2009 for responsibilities associated with Interim Clinical Compliance Officer role. Approved by the Regents on 09/18/2008.



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

REISER, LISA M. UCI
CHIEF PATIENT CARE SERVICES OFFICER

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$26,507.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
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REISLER, EMIL UCLA
DEAN -- SCHOOL OF LIFE SCIENCES, COLLEGE OF LETTERS AND SCIENCE

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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RELYEA, STEVEN UCSD
FORMER ACTING VICE CHANCELLOR EXTERNAL RELATIONS

Compensation Element Amount Staff Comments

Stipend	\$45,000.00	Administrative stipend in the amount of 18.8% for additional duties as Acting Vice Chancellor - External Relations.
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REYNAUD, LOUIS UCB
FORMER ASSISTANT COACH-MEN'S BASKETBALL

Compensation Element Amount Staff Comments

Annual Base	\$128,750.00	Base salary approved as part of negotiated athletics' contract. Coach separated 5/31/2008 at end of contract.
Other Cash Payment	\$20,000.00	Approved as part of contract. Payout based on standard participation in outside events representing UCB.
Exceptional Vacation accrual		Approved as part of negotiated athletics' contract.
Other - Include in Total Cash Compensation	\$7,250.00	Courtesy vehicle approved as part of negotiated athletics' contract.



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Coach - Bonus \$8,750.00 For participation in the NIT tournament.

RICE, ANN MADDEN UCD
CHIEF EXECUTIVE OFFICER-UC DAVIS MEDICAL CENTER

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program \$89,700.00 Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.

RICE, THOMAS H UCLA
VICE CHANCELLOR -- ACADEMIC PERSONNEL

Compensation Element Amount Staff Comments

Executive Disability Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

RICHARDS, MARK A UCB
EXECUTIVE DEAN COLLEGE OF LETTERS AND SCIENCE AND DEAN-PHYSICAL SCIENCES

Compensation Element Amount Staff Comments

Stipend \$32,600.00 Annualized stipend reflected. Actual stipend effective July 1, 2006 - December 31, 2008 for responsibilities associated with Executive Dean College of Letters and Science role. Stipend ends December 31, 2008 because Dean Richards will be on sabbatical for the period January 1, 2009, through December 31, 2009.

RING, ERNEST J UCSF
FORMER CHIEF MEDICAL OFFICER, MEDICAL CENTER

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program \$32,760.00 Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.

Executive Disability Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

ROBINSON,CAROL A UCD
SENIOR PATIENT CARE SERVICES OFFICER, UC DAVIS HEALTH SYSTEM

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$39,400.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
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ROBINSON,CHARLES F UCOP
GENERAL COUNSEL & VP-LEGAL AFFAIRS

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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ROSEN,ROBERT UCLA
DEAN -- SCHOOL OF THEATER, FILM AND TELEVISION

Compensation Element Amount Staff Comments

Summer Salary	\$16,983.00	As an exception allowed by SMG policy, payment for summer research conducted in July 2008 and funded by state funds. Per policy, equivalent number of days of vacation was forfeited. Approved by the Regents July 2008.
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ROSENSTOCK,LINDA UCLA
DEAN -- SCHOOL OF PUBLIC HEALTH

Compensation Element Amount Staff Comments

Health Sciences Compensation Plan	\$34,100.00	Per policy, eligible to participate in Health Sciences Compensation Plan.
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Other - Include in Total Cash Compensation	\$2,825.00	Regency Club Membership: Used for business and personal. Personal usage prorated and calculated as imputed income in 2008.
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ROSENTHAL,J THOMAS UCLA
CHIEF MEDICAL OFFICER, UCLA HOSPITAL SYSTEM

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Clinical Enterprise Management Recognition Program	\$49,415.00	Eligible to participate in CEMRP annually with a maximum potential payout of 25%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
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Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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ROSSI,CAROLE ROSEMARIE UCSC
CHIEF CAMPUS COUNSEL AND ASSOCIATE GENERAL COUNSEL

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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Other One-Time Reimbursement	\$15.00	Reimbursement for mileage during move from San Francisco, per policy.
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Moving Expenses - Other-Incl in Total Cash Comp	\$1,558.00	Reimbursement for temporary living costs within policy to support move from San Francisco.
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Moving Expenses - Shipment of Household Goods	\$6,050.00	Reimbursement for shipment of household goods during move from San Francisco, per policy.
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Moving Expenses - Strg of Hsehld Goods-short-term	\$2,347.00	Reimbursement for storage charges within policy in support of move from San Francisco.
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RUBIN,AMIR DAN UCLA
CHIEF OPERATING OFFICER, UCLA HOSPITAL SYSTEM

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$83,235.00	Eligible to participate in CEMRP annually with a maximum potential payout of 25%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
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Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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Relocation Allowance	\$9,375.00	Per policy, relocation allowance totaling \$93,750 paid out incrementally.
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RUDNICK,JOSEPH A UCLA
ACTING DEAN -- DIVISION OF PHYSICAL SCIENCES



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Compensation Element Amount Staff Comments

Stipend	\$33,800.00	Annualized stipend reflected. Actual stipend effective October 1, 2006 - September 30, 2009 for responsibilities associated with Acting Dean - Division of Physical Sciences role. Extension approved by the Regents 9/2008 as exception to policy for duration beyond 1yr.
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RUE, HENRIETTA ELIZABETH UCSD
VICE CHANCELLOR - STUDENT AFFAIRS

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
Relocation Allowance	\$13,438.00	Per policy, \$53,750 (25%) to be distributed over 4 years in equal annual payments of \$13,437.50. Subject to repayment if resigns within first 4 years.

RYBA, TOMI UCSF
CHIEF OPERATING OFFICER, MEDICAL CENTER

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$25,190.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
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SAMPSON, DANIEL C UCOP
ASSISTANT VP FINANCIAL CONTROLS AND ACCOUNTABILITY

Compensation Element Amount Staff Comments

Incentive	\$21,320.00	Performance based incentive in the amount of 10%, approved by the Regents January 2008.
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SANDEEN, CATHY A. UCLA
DEAN -- CONT. ED. AND UNEX

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Other Benefit Educational Loans: Transfer of loan balance of \$35,596.50 to UCLA from UCSC approved by Regents upon Sandeen appointment 11/29/06.

SASTRY, SOSALE SHANKAR UCB
DEAN - COLLEGE OF ENGINEERING

Compensation Element Amount Staff Comments

Executive Disability Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

Summer Salary \$15,053.00 As an exception allowed by SMG policy, payment for 15 days of summer research conducted in July 2008, and funded by the National Science Foundation. Per policy, 15 days of vacation were forfeited. Approved by The Regents, July 2008.

SAVAGE, JOHN JOSEPH UCLA
HEAD COACH, BASEBALL

Compensation Element Amount Staff Comments

Annual Base \$185,000.00 Base salary approved as part of negotiated athletics' contract.

Other Cash Payment \$51,304.00 Payout based on annual participation in summer camps for youth approved as part of negotiated athletics' contract.

Other - Include in Total Cash Compensation \$3,524.00 Courtesy Vehicle (imputed income). Per employment contract.

SAXENIAN, ANNALEE UCB
DEAN - SCHOOL OF INFORMATION

Compensation Element Amount Staff Comments

Executive Disability Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

SCHILL, MICHAEL H UCLA
DEAN -- SCHOOL OF LAW



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Compensation Element Amount Staff Comments

Executive Disability Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

SCHLISSEL, MARK S UCB
DEAN-BIOLOGICAL SCIENCES

Compensation Element Amount Staff Comments

Executive Disability Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

SCHNETZLER, GRETA UCSF
CHIEF HEALTH SCIENCES COUNSEL

Compensation Element Amount Staff Comments

Incentive	\$6,883.00	Eligible to participate in Financial & Administrative Services Incentive Plan (FAS) annually with a maximum potential payout of 10%, actual amount based on performance related to goals. Approved under local authority as incumbent's total cash was below \$205,000 at the time.
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SCHROEDER, DAVID W UCOP
SENIOR PORTFOLIO MANAGER

Compensation Element Amount Staff Comments

Treasurer's AIP Plan	\$94,210.00	Treasurer's Annual Incentive Plan: Actual pay-out is based on targets established at the beginning of the Plan year. Approved by President Yudof August 29, 2008.
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SCIOSCIA, ANGELA LYNN UCSD
CHIEF MEDICAL OFFICER

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$47,250.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
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Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Executive Disability

Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

SEIBLE, FRIEDER UCSD
DEAN - JACOBS SCHOOL OF ENGINEERING

Compensation Element Amount Staff Comments

Executive Disability

Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

SHORTELL, STEPHEN M UCB
DEAN-SCHOOL OF PUBLIC HEALTH

Compensation Element Amount Staff Comments

Annual Base

\$327,600.00

During 2007, on sabbatical leave January 1, 2007 - June 30, 2007.

SHOWSTACK, JONATHAN A UCSF
ASSISTANT VICE CHANCELLOR & CHIEF INFORMATION OFFICER

Compensation Element Amount Staff Comments

Executive Disability

Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

SHULTZ, JAMES UCLA
EXECUTIVE DIRECTOR -- PHYSICIAN SUPPORT SERVICES

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program

\$34,457.00

Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.

SIEFKIN, ALLAN D UCD
CHIEF MEDICAL OFFICER - UC DAVIS MEDICAL CENTER

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Clinical Enterprise Management Recognition Program	\$33,080.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
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SIMON,HORST D LBNL
ASSOCIATE LABORATORY DIRECTOR

Compensation Element Amount Staff Comments

Executive Disability	Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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SLOAN,LISA UCSC
VICE PROVOST AND DEAN, GRADUATE STUDIES

Compensation Element Amount Staff Comments

Executive Disability	Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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SMITH,SUSAN L UCSD
PROVOST, JOHN MUIR COLLEGE

Compensation Element Amount Staff Comments

Executive Disability	Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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SONNENSHEIN,MONA L UCSD
CHIEF OPERATING OFFICER, UCSD MEDICAL CENTER

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$47,610.00	Eligible to participate in CEMRP annually with a maximum potential payout Program of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008. Total award for 2007/2008 plan year should be \$73,380. Ms. Sonnenshein was incorrectly paid in 2008. The difference will be paid in 2009 and reflected in 2009 report.
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Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Executive Disability Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

SPARKMAN, ANN UCSF
PRINCIPAL COUNSEL

Compensation Element Amount Staff Comments

Incentive	\$6,883.00	Eligible to participate in Financial & Administrative Services Incentive Plan (FAS) annually with a maximum potential payout of 10%, actual amount based on performance related to goals. Approved under local authority as incumbent's total cash was below \$205,000 at the time.
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SPEARE, MARK A UCLA
SR. ASSOC. DIRECTOR, MARKETING, PATIENT RELATIONS AND HUMAN RESOURCES

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$36,054.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by Chancellor November 2008 and reported to The Regents November 2008 in the Bi-Monthly Transaction Monitoring Report.
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SPIRITUS, EUGENE UCI
CHIEF MEDICAL OFFICER

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$38,373.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
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STANDIFORD, RICHARD B. ANR
ASSOCIATE VICE PRESIDENT

Compensation Element Amount Staff Comments

Senior Management Supplement	Holds academic title of Cooperative Extension Specialist at UCB that is not tenured, therefore eligible to participate in Sr. Mgmt Supplemental Benefit Program.
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Addendum to Annual Report on Executive Compensation for Calendar Year 2008

STANTON, MELVIN L UCOP
ASSOCIATE CHIEF INVESTMENT OFFICER

Compensation Element Amount Staff Comments

Treasurer's AIP Plan	\$54,690.00	Treasurer's Annual Incentive Plan: Approved at November 2008 Regents' meeting. Actual pay-out is based on targets established at the beginning of the Plan year.
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STATON, PAUL A UCLA
CHIEF FINANCIAL OFFICER, UCLA HOSPITAL SYSTEM

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$47,241.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
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STEWART, DAVID W. UCR
DEAN-A. GARY ANDERSON GRADUATE SCHOOL OF MANAGEMENT

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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STOBO, JOHN DAVID DR. UCOP
SENIOR VICE PRESIDENT - HEALTH SCIENCES AND SERVICES

Compensation Element Amount Staff Comments

Executive Disability		Per policy has not yet met 5yr vesting requirement in SMG to receive benefit.
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Relocation Allowance		Approved by The Regents at maximum allowed under policy of 25% of base salary or \$145,000, to be paid out in one lump sum or in installments. If paid out in a lump sum a payback formula will be in place if Mr. Stobo leaves within 4 years. No payments were made in 2008.
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Temporary Housing	\$4,868.00	Approved as an exception to policy for a period of 60 days instead of the 30 days allowed for in policy. Used for just over 1 month.
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Addendum to Annual Report on Executive Compensation for Calendar Year 2008

STOVALL, TYLER E UCB
DEAN-UNDERGRADUATE DIVISION

Compensation Element Amount Staff Comments

Executive Disability Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

STOWELL, TIMOTHY A UCLA
DEAN -- DIVISION OF HUMANITIES, COLLEGE OF LETTERS & SCIENCE

Compensation Element Amount Staff Comments

Executive Disability Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

SULLIVAN, ROBERT S. UCSD
DEAN - RADY SCHOOL OF MANAGEMENT

Compensation Element Amount Staff Comments

Exceptional Vacation accrual Approved at September 2006 Regents' Meeting in response to RE 74 Corrective Actions - BSA & Internal Audit Finding, Guideline #A-3.

SZERI, ANDREW J UCB
DEAN - GRADUATE DIVISION

Compensation Element Amount Staff Comments

Executive Disability Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

TAYLOR, PALMER W. UCSD
ASSOC VICE CHANCELLOR HEALTH SCIENCES AND FOUNDING DEAN-SCHOOL OF PHARMACY AND PHARMACEUTICAL SCIENCES

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Clinical Enterprise Management Recognition Program	\$47,610.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

**TEDFORD,JEFF UCB
HEAD FOOTBALL COACH**

Compensation Element Amount Staff Comments

Annual Base	\$225,000.00	Base salary approved as part of negotiated athletics' contract.
Other Cash Payment	\$1,575,000.00	Approved as part of contract. Payout based on standard participation in outside events representing UCB.
Exceptional Vacation accrual		Approved as part of negotiated athletics' contract.
Other Benefit		Travel for spouse provided as approved as part of negotiated athletics' contract.
Other - Include in Total Cash Compensation	\$18,000.00	Two courtesy vehicles approved as part of negotiated athletics' contract.
Other - Include in Total Cash Compensation	\$7,080.00	Country Club membership approved as part of negotiated athletics' contract.
Other - Exclude from Total Cash Compensation	\$12,832.00	Thirty tickets and five parking passes for home football games. Six men's basketball tickets.
Coach - Bonus	\$42,314.00	2008 Season Incentive approved as part of negotiated athletics' contract. Payout based on identified levels of team performance. Per contract \$25,000 earned in 2008 for participation in non-BCS Bowl game. Additional \$17,314 paid from AD Discretionary fund for bonuses.

**TERRICCIANO,ALAN L UCI
ACTING DEAN - CLAIRE TREVOR SCHOOL OF THE ARTS**

Compensation Element Amount Staff Comments

Stipend	\$43,722.00	Annualized stipend reflected. Actual stipend effective July 16, 2008 - June 30, 2009 for responsibilities associated with Acting Dean-Claire Trevor School of the Arts role. Approved by Regents 08/08/2008.
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Addendum to Annual Report on Executive Compensation for Calendar Year 2008

THATCHER,PATRICIA D. UCI
EXECUTIVE DIRECTOR-HR AND CUSTOMER SERVICE, MEDICAL CENTER

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$17,542.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by Chancellor November 2008 and reported to The Regents November 2008 in the Bi-Monthly Transaction Monitoring Report.
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THIEMENS,MARK H UCSD
DEAN - DIVISION OF PHYSICAL SCIENCES

Compensation Element Amount Staff Comments

Summer Salary	\$22,117.00	As an exception allowed by SMG policy, payment for 24 days of summer research conducted in august 2008 and funded by Nat'l Science Foundation. Per policy, 24 days of vacation was forfeited. Approved by The Regents, July 2008.
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THORSETT,STEPHEN E UCSC
DEAN, PHYSICAL AND BIOLOGICAL SCIENCES

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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TIRRELL,MATTHEW V UCSB
DEAN OF THE COLLEGE OF ENGINEERING

Compensation Element Amount Staff Comments

Summer Salary	\$22,575.00	As an exception allowed by SMG policy, payment for 21 day of summer research conducted in August 2008. 21 days vacation forfeited. Funded by unrestricted gift funds.
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TORRES-GIL,FERNANDO M UCLA
FORMER ACTING DEAN-SCHOOL OF PUBLIC AFFAIRS

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

	\$8,208.00	Annualized stipend reflected. Actual stipend effective August 1, 2007 - August 31, 2008 for responsibilities associated with Acting Dean - School of Public Affairs role. Extension approved by the Regents 7/2008 as exception to policy for duration beyond 1yr.
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TRAINA,SAMUEL JUSTIN UCM
VICE CHANCELLOR OF RESEARCH AND DEAN OF THE GRADUATE SCHOOL

[Compensation Element Amount Staff Comments](#)

Executive Disability		Per policy, eligible - has not met five year vesting requirement in SMG to receive benefit.
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TURTELTAUB,RHEA P UCLA
FORMER ACTING VICE CHANCELLOR - EXTERNAL AFFAIRS

[Compensation Element Amount Staff Comments](#)

	\$32,460.00	Annualized stipend reflected. Actual stipend effective October 1, 2007 - June 30, 2008 for responsibilities associated with Acting Vice Chancellor - External Affairs role. Approved at Sept 2007 Regents' meeting.
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VACCA,SHERYL JEANNE UCOP
SENIOR VICE PRESIDENT - CHIEF COMPLIANCE AND AUDIT OFFICER

[Compensation Element Amount Staff Comments](#)

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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VAN DEN ABBEELE,GEORGES Y UCSC
DEAN, HUMANITIES

[Compensation Element Amount Staff Comments](#)

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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VAN YOUNG,ERIC UCSD



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

FORMER ACTING DEAN - DIVISION OF ARTS AND HUMANITIES

Compensation Element Amount Staff Comments

Stipend	\$15,919.00	Annualized stipend reflected. Actual stipend effective July 1, 2007 - June 30, 2008 for responsibilities associated with Acting Dean - Division of Arts and Humanities role. Per policy, approved by Chancellor Fox.
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**VERMILLION, ERIC B UCSF
ASSOCIATE VICE CHANCELLOR-FINANCE**

Compensation Element Amount Staff Comments

Stipend	\$20,813.00	Annualized stipend reflected. Actual stipend effective June 1, 2008 - May 31, 2009 for additional responsibilities assumed due to the retirement of the Senior Vice Chancellor-Finance and Administration. Approved by Regents 07/17/2008.
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Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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**WAGGENER, SHELTON UCB
ASSOCIATE VICE CHANCELLOR FOR INFORMATION TECHNOLOGY AND CHIEF INFORMATION OFFICER**

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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**WALKER, DEWAYNE MORRIS UCLA
FOOTBALL DEFENSIVE COORDINATOR**

Compensation Element Amount Staff Comments

Other Cash Payment	\$180,000.00	Approved as part of contract. Payout based on standard participation in outside events representing UCLA.
Other - Include in Total Cash Compensation	\$1,277.00	UCLA Sporting Event Tickets
Other - Include in Total Cash Compensation	\$14,216.00	Courtesy Vehicle (imputed income). Approved by Regents per employment contract.



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

WALSHOK,MARY LINDENSTEIN UCSD
ASSOC VICE CHAN. EXTENDED STUDIES AND PUBLIC SERVICE, DEAN-UNIVERSITY EXTENSION

Compensation Element Amount Staff Comments

Other Payment - Benefits	\$1,631.00	University Club membership: Monthly dues payment made to University Club to cover her 2008 membership fee. Membership is used to provide a location for business meetings.
Other Payment - Benefits	\$400.00	Rotary Club membership fees.

WARTELLA,ELLEN A. UCR
EXECUTIVE VICE CHANCELLOR AND PROVOST

Compensation Element Amount Staff Comments

Exceptional Vacation accrual		Approved at September 2006 Regents' Meeting in response to RE 74 Corrective Actions - BSA & Internal Audit Finding, Guideline #A-3.
Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

WASHINGTON,A EUGENE UCSF
EXECUTIVE VICE CHANCELLOR & PROVOST

Compensation Element Amount Staff Comments

Health Sciences Compensation Plan	\$52,300.00	Per policy, eligible to participate in Health Sciences Compensation Plan. Per UCOP counsel in 03/2007.
Other Cash Payment	\$13,194.00	Outside Activity income processed thru HSCP, non-patient care activity. Per Regental approval 03/07.
Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.

WATKINS,PAUL H. UCLA
DIRECTOR, SUPPORT SERVICES, UCLA HOSPITAL SYSTEM

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Clinical Enterprise Management Recognition Program	\$30,490.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by Chancellor November 2008 and reported to The Regents November 2008 in the Bi-Monthly Transaction Monitoring Report.
Relocation Allowance	\$9,250.00	Per policy, relocation allowance of \$46,250 to be paid over a period of four years. Approved by Regents September 2006.

WAUGH, SCOTT L UCLA
FORMER ACTING EXEC. VICE CHANCELLOR AND PROVOST

Compensation Element Amount Staff Comments

Stipend	\$83,500.00	Annualized stipend reflected. Actual stipend effective October 1, 2007 - December 31, 2008 for responsibilities associated with Acting Executive Vice Chancellor and Provost role.
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WEDDING, RANDOLPH E UCOP
SENIOR MANAGING DIRECTOR-FIXED INCOME INVESTMENTS

Compensation Element Amount Staff Comments

Treasurer's AIP Plan	\$83,860.00	Treasurer's Annual Incentive Plan: Approved at November 2008 Regents' meeting. Actual pay-out is based on targets established at the beginning of the Plan year.
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WHITE, BRUCE R UCD
ACTING VICE PROVOST - ACADEMIC PERSONNEL

Compensation Element Amount Staff Comments

Annual Base	\$212,512.00	As an exception to policy, acting appt extension will be effective 7/1/08 - 12/31/08; this extends the stipend beyond the 1 yr allowed by policy; if base salary adjusted during acting appt the stipend will be recalculated against the new base.
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WHITE, TIMOTHY P UCR
CHANCELLOR

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Executive Disability		Credit for 5 yrs. prior UC service recognized. This satisfied vesting requirement for eligibility.
Other Payment - Benefits	\$901.00	Taxable items for personal use per policy; \$228.85 Cable TV + \$672.04 personal use of leased auto

WIESENTHAL, STEVEN M UCSF
FORMER ASSOCIATE VICE CHANCELLOR-CAPITAL PROJECTS & FACILITIES MANAGEMENT

Compensation Element Amount Staff Comments

Executive Auto Allowance	\$443.00	Imputed income for his personal use of a university provided pool vehicle.
Other Cash Payment	\$1,999.00	Tax preparation reimbursement due to error made by campus that caused a cost to the employee for recalculation of tax returns. Consistent with others who received a corrected W-2.

WILLIAMS, ROBERT ALLEN UCSB
HEAD COACH MEN'S BASKETBALL

Compensation Element Amount Staff Comments

Other Cash Payment	\$39,000.00	Per contract, payment for conducting basketball camps.
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WINNER, CYNTHIA A. UCI
CHIEF AMBULATORY CARE OFFICER

Compensation Element Amount Staff Comments

Clinical Enterprise Management Recognition Program	\$24,371.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by Chancellor November 2008 and reported to The Regents November 2008 in the Bi-Monthly Transaction Monitoring Report.
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WONG, JANE Y. UCSF
INTERIM CHIEF OPERATING OFFICER AND DEPUTY CHIEF INFORMATION OFFICER

Compensation Element Amount Staff Comments



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Stipend	\$19,980.00	Annualized stipend reflected. Actual stipend effective July 1, 2008 - June 30, 2009 for responsibilities associated with Interim Chief Operating Officer and Deputy Chief Information Officer role. Approved by Regents 07/17/2008.
<p>WOOLDRIDGE, JAMES A. UCR HEAD COACH - MEN'S BASKETBALL</p> <p>Compensation Element Amount Staff Comments</p>		
Relocation Allowance	\$15,417.00	Per policy - 25% of the base salary paid out in lump sum, subject to repayment. Approved as an Interim Regents Item on 4/27/07.
<p>WOON, PETER UCI CONTROLLER-FINANCIAL ADMINISTRATION, MEDICAL CENTER</p> <p>Compensation Element Amount Staff Comments</p>		
Other One-Time Payment	\$12,021.00	Paid Time Off Payout: Automatic payout for paid time off amount in excess of accumulation limits.
<p>WRIGHT, JEFFREY R UCM DEAN - SCHOOL OF ENGINEERING</p> <p>Compensation Element Amount Staff Comments</p>		
Exceptional Vacation accrual		Approved at September 2006 Regents' Meeting in response to RE 74 Corrective Actions - BSA & Internal Audit Finding, Guideline #A-3.
<p>WU DRAGUN, DIANA UCB DEAN-UNIVERSITY EXTENSION</p> <p>Compensation Element Amount Staff Comments</p>		
Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
<p>WU DRAGUN, DIANA UCB</p>		



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

FORMER ACTING DEAN-UNIVERSITY EXTENSION

Compensation Element Amount Staff Comments

Stipend	\$19,700.00	Annualized stipend reflected. Actual stipend effective February 1, 2007 - January 31, 2008 for responsibilities associated with Acting Dean - University Extension role. Percentage increased from 7.5% to 15% effective 10/1/2007.
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**YAMAUCHI,LORI L UCSF
ASSISTANT VICE CHANCELLOR-CAMPUS PLANNING**

Compensation Element Amount Staff Comments

Bonus	\$23,060.00	Staff Recognition and Development Program - Bonus approved locally.
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**YANCEY JR,WILLIAM R UCLA
ASSISTANT DEAN - DENTISTRY**

Compensation Element Amount Staff Comments

Other Cash Payment	\$65,500.00	By Agreement Payment for position as Adjunct Instructor. Includes retroactive payments approved by The Regents in July 2008.
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**YEARY,FRANK D. UCB
VICE CHANCELLOR**

Compensation Element Amount Staff Comments

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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**YEE,ALICE L UCOP
SENIOR PORTFOLIO MANAGER**

Compensation Element Amount Staff Comments

Treasurer's AIP Plan	\$68,300.00	Treasurer's Annual Incentive Plan: Actual pay-out is based on targets established at the beginning of the Plan year. Approved by President Yudof August 29, 2008.
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Addendum to Annual Report on Executive Compensation for Calendar Year 2008

YELICK,KATHERINE A LBNL
SCIENTIFIC DIVISION DIRECTOR FACULTY

Compensation Element Amount Staff Comments

Stipend	\$66,540.00	Stipend used strictly as method of payment for this ongoing assignment as Scientific Div/Dir - Faculty. LBNL reimburses UCB for 50% of his base salary for 9 months and pays 100% during the 3 summer months. Campus administers base pay and benefits.
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YOUNG,HEATHER M UCD
ASSOCIATE VICE CHANCELLOR FOR NURSING

Compensation Element Amount Staff Comments

Health Sciences Compensation Plan	\$60,000.00	Participation will comply with all University of California Health System parameters.
Standard Benefits		Waiting for Regental approval for the Proposed Betty Irene Moore School of Nursing and Ms. Young's subsequent title of Founding Dean.
Executive Life		Waiting for Regental approval for the Proposed Betty Irene Moore School of Nursing and Ms. Young's subsequent title of Founding Dean.
Executive Business Travel		Waiting for Regental approval for the Proposed Betty Irene Moore School of Nursing and Ms. Young's subsequent title of Founding Dean.
Executive Disability		Waiting for Regental approval for the Proposed Betty Irene Moore School of Nursing and Ms. Young's subsequent title of Founding Dean.

YUDOF,MARK GEORGE UCOP
PRESIDENT OF THE UNIVERSITY

Compensation Element Amount Staff Comments

Senior Management Supplement		Ineligible due to dual tenured faculty appointment.
University Housing		2yr leased housing at a cost of \$9,990.90/mo plus \$1,360/mo for rental of furnishings due to repairs needed at Blake house.



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Post Retirement Agreement		Supplemental pension funding will be provided to produce a vested single life annuity at the end of each of the first 7 years of employment of approximately: Year 1-\$29,554;Year 2-\$60,217; Year 3-\$92,029; Year 4- \$127,307; Year 5- \$230,000; Year 6- \$300,000; Year 7-\$350,000. For years 8 and beyond, funding will occur in accordance with the normal UCRP funding policy that is applicable to funding the benefits of all UCRP members. The University contribution for 2008 is \$228,000.
Accrual of Sabbatical Credits		Eligible to accrue sabbatical credits due to dual appointment as tenured faculty member.
Moving Expenses - Initial Househunting	\$2,598.00	Per policy, temporary housing was provided while permanent housing was obtained.
Moving Expenses - Other-Excl from Total Cash Comp	\$15,292.00	Consistent with academic policy Mr. Yudof's professional library was moved from Austin. This was separate from the move of his personal items.
Moving Expenses - Shipment of Household Goods	\$74,356.00	As an exception to policy allowing \$25,000 in moving costs, \$86,098.89 was approved by The Regents.

**ZEDECK,SHELDON UCB
VICE PROVOST - ACADEMIC AFFAIRS AND FACULTY WELFARE**

[Compensation Element Amount Staff Comments](#)

Executive Disability		Per policy, eligible - has not yet met five year vesting requirement in SMG to receive benefit.
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**ZEHNTNER,MAUREEN L UCI
ASSOCIATE VICE CHANCELLOR/CHIEF EXECUTIVE OFFICER - MEDICAL CENTER**

[Compensation Element Amount Staff Comments](#)

Clinical Enterprise Management Recognition Program	\$74,432.00	Eligible to participate in CEMRP annually with a maximum potential payout of 20%. Actual payout based on performance related to goals. Approved by The Regents on 11/20/2008.
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**ZEHNTNER,MAUREEN L UCI
FORMER ACTING CHIEF EXECUTIVE OFFICER**

[Compensation Element Amount Staff Comments](#)



Addendum to Annual Report on Executive Compensation for Calendar Year 2008

Stipend	\$50,000.00	Annualized stipend reflected. Actual stipend approved to be effective November 1, 2005-February 29, 2008 for responsibilities associated with Acting Chief Executive Officer role. Extension approved by the Regents 11/2007 as exception to policy for duration beyond 1yr.
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REPORT ON 2008 EMPLOYEE PAYROLL*

University of California

May 2009

Introduction

Consistent with its commitment to transparency and public accountability, the University of California discloses employee payroll information annually, and makes it broadly available to the public as well as to news media. This information includes an employee-by-employee listing of compensation, breakdowns of UC pay by personnel category and fund sources, and a summary of compensation for the top university leaders.

UC competes in many different labor markets for personnel — physicians, faculty members, nurses, administrative staff, investment professionals, athletic coaches, etc. — and components of compensation are dictated by prevailing practices in each market. In order to compete in these markets, UC must and should reflect the same market practices. In particular markets, such as health sciences, coaches and investment professional, compensation is divided into two distinct parts: (1) a guaranteed base salary; and (2) a contingent payment based on performance. Other market practices also dictate a combination of compensation components. For example, some nurses and other UC hospital employees are paid with a combination of base pay and shift differential pay for working evening or night shifts. Similarly, compensation for clinical faculty who treat patients includes base pay along with an amount for treating patients. Other faculty compensation might also include pay for teaching summer courses. Staff and administrators receive most of their income from base pay, but can also earn overtime or stipends for performing additional temporary responsibilities.

Total pay for many UC employees is made up of several components, including base salary, overtime, and other compensation defined as “above base pay” which includes stipends, housing allowances, and payouts of accrued vacation upon retirement. Total pay does not include standard health, retirement, and other benefits.

Key Points about UC’s 2008 payroll data1. 2008 total payroll grows, due to workforce growth and market demands

- The delivery of educational services, research and health care is labor-intensive, and personnel costs are roughly 50% of UC’s \$20 billion operating budget.
- UC’s total payroll of \$8.9 billion in 2007 grew to \$9.6 billion for 2008, an increase of roughly 7.4%.
- UC’s workforce grew roughly 2.5% (more than 4,200 employees, not including national laboratory employees) between 2007 and 2008, driven by increases in services provided by UC:
 - Student enrollments grew by nearly 3.6% between 2007 and 2008
 - Overall research expenditures at UC grew 10.7%
 - Inpatient days at UC medical centers grew 1.4%

2. How the 2008 payroll data breaks down

- Approximately 40% of compensation in 2008 went to professors, clinical professors, other teaching faculty, research titles, and other academic positions employees directly engaged in the University’s academic mission. The remainder went to non-academic employees, including support services for students and patients.
- Over 21% of the funding for systemwide compensation came from professional fees, clinical revenue, and other activities associated with UC’s teaching hospitals. Approximately 27% of the funding came from State of California funds, and 9.2% from student fees with the majority of student fees coming from the education fee, summer sessions and University Extension courses.
- As in previous years, the “top 10 earning” employees at UC in 2008 based on total pay were either members of the health sciences faculty – typically world-renowned specialists in their fields – or athletic coaches.
- “Above base pay” decreased by 1% in 2008, with the vast majority – over 75% -- being paid to academic employees, and particularly to health sciences faculty in connection with their patient care responsibilities.

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**In previous years, this report used fiscal year data and was issued in the fall. Beginning with the 2007 report, this report was based on calendar year data, to better align with year-end tax reporting, and the production of UC’s annual compensation reports for senior managers which are issued each March. Additionally, the 2007 & 2008 reports focused on total payroll data, versus “above base pay” as in previous years, to provide a more complete picture of UC compensation.*

TABLE 1
TOTAL PAY BY APPOINTMENT CLASS TITLE OUTLINE CODE
CY 2007

Primary Occupation Group	CY 2007	
	\$	% of Total
Academic		
Clinical Professors, Lecturers and Other Teaching Faculty	913,857,681.12	10.3%
Teaching Faculty - Ladder & Acting Ranks	1,121,235,029.93	12.6%
Research	599,263,555.65	6.7%
University Extension & Cooperative Extension	73,735,672.82	0.8%
Other Academic Personnel, Pay Codes, and Librarians	87,239,965.35	1.0%
Student Assistants	568,042,037.46	6.4%
Academic Administrative Officers	69,525,075.43	0.8%
	<u>3,432,899,017.76</u>	<u>38.6%</u>
Non-Academic		
Health Care and Allied Services	1,780,517,291.73	20.0%
Fiscal, Management and Staff Services	1,286,534,016.90	14.5%
Managers	495,793,216.54	5.6%
Student Services	200,648,840.52	2.3%
Clerical & Allied Services	665,585,670.72	7.5%
Other non-academic	20,759,938.78	0.2%
Maintenance, Fabrication and Operations	318,277,307.26	3.6%
Sciences, Laboratory and Allied Services	291,725,277.19	3.3%
Executive Program	72,894,107.16	0.8%
Coaches & Related Professional	13,862,385.33	0.2%
Protective Services	50,621,877.97	0.6%
Food & Linen Services	73,069,030.13	0.8%
Communication, Arts and Graphics	104,610,056.75	1.2%
Architecture, Engineering and Allied Services	91,125,051.44	1.0%
	<u>5,466,024,068.42</u>	<u>61.4%</u>
Total Gross Pay	<u><u>8,898,923,086.18</u></u>	<u><u>100.0%</u></u>

TABLE 1
TOTAL PAY BY APPOINTMENT CLASS TITLE OUTLINE CODE
CY 2008 vs CY 2007

Primary Occupation Group	CY 2008		CY 2007	
	\$	% of Total	\$	% of Total
Academic				
Clinical Professors, Lecturers and Other Teaching Faculty	997,406,334.77	10.4%	913,857,681.12	10.3%
Teaching Faculty - Ladder & Acting Ranks	1,199,681,479.01	12.6%	1,121,235,029.93	12.6%
Research	631,237,559.33	6.6%	599,263,555.65	6.7%
University Extension & Cooperative Extension	77,210,361.49	0.8%	73,735,672.82	0.8%
Student Assistants	94,784,543.85	1.0%	87,239,965.35	1.0%
Other Academic Personnel, Pay Codes, and Librarians	599,272,760.24	6.3%	568,042,037.46	6.4%
Academic Administrative Officers	74,919,128.04	0.8%	69,525,075.41	0.8%
	<u>3,674,512,166.73</u>	<u>38.4%</u>	<u>3,432,899,017.74</u>	<u>38.6%</u>
Non-Academic				
Health Care and Allied Services	1,934,534,299.33	20.2%	1,780,517,291.73	20.0%
Fiscal, Management and Staff Services	1,391,867,167.27	14.6%	1,286,534,016.90	14.5%
Managers	536,907,288.89	5.6%	495,793,216.54	5.6%
Student Services	220,369,146.26	2.3%	200,648,840.52	2.3%
Clerical & Allied Services	688,740,062.96	7.2%	665,585,670.72	7.5%
Maintenance, Fabrication and Operations	342,920,081.77	3.6%	318,277,307.26	3.6%
Other non-academic	20,540,908.25	0.2%	20,759,938.78	0.2%
Coaches & Related Professional	14,899,713.03	0.2%	13,862,385.33	0.2%
Executive Program	79,283,739.39	0.8%	72,894,107.16	0.8%
Sciences, Laboratory and Allied Services	308,523,852.41	3.2%	291,725,277.19	3.3%
Food & Linen Services	80,307,722.20	0.8%	73,069,030.13	0.8%
Protective Services	55,535,942.29	0.6%	50,621,877.97	0.6%
Communication, Arts and Graphics	112,412,112.46	1.2%	104,610,056.75	1.2%
Architecture, Engineering and Allied Services	97,765,980.19	1.0%	91,125,051.44	1.0%
	<u>5,884,608,016.70</u>	<u>61.6%</u>	<u>5,466,024,068.42</u>	<u>61.4%</u>
Total Gross Pay	<u><u>9,559,120,183.43</u></u>	<u><u>100.0%</u></u>	<u><u>8,898,923,086.16</u></u>	<u><u>100.0%</u></u>
SMG	82,041,720.00		75,048,179.00	
Total Gross	9,559,120,183.43		8,898,923,086.16	
Percent of SMG	0.86%		0.84%	

TABLE 1
TOTAL CY GROSS PAY BY APPOINTMENT CLASS TITLE OUTLINE CODE
CY 2008

Primary Occupation Group	CY 2008	
	\$	% of Total
Academic		
Clinical Professors, Lecturers and Other Teaching Faculty	997,406,334.77	10.4%
Teaching Faculty - Ladder & Acting Ranks	1,199,681,479.01	12.6%
Research	631,237,559.33	6.6%
University Extension & Cooperative Extension	77,210,361.49	0.8%
Other Academic Personnel, Pay Codes, and Librarians	94,784,543.85	1.0%
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Health Care and Allied Services	1,934,534,299.33	20.2%
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Executive Program	79,283,739.39	0.8%
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Food & Linen Services	80,307,722.20	0.8%
Communication, Arts and Graphics	112,412,112.46	1.2%
Architecture, Engineering and Allied Services	97,765,980.19	1.0%
	<u>5,884,608,016.70</u>	<u>61.6%</u>
Other		
Total Gross Pay	<u><u>9,559,120,183.43</u></u>	<u><u>100.0%</u></u>

TABLE 2
TOTAL PAY BY FUND GROUPINGS
Comparison of CY 2008 vs CY 2007

	CY 2008		CY 2007		VARIANCE
	PERCENTAGE	TOTAL PAY	PERCENTAGE	TOTAL PAY	TOTAL PAY
Medical Compensation Plan	9.6%	920,172,754.98	9.4%	836,998,689.50	83,174,065.48
Federal Government including contracts and grants	9.8%	937,683,901.82	10.4%	921,114,768.15	16,569,133.67
Teaching Hospitals	21.9%	2,097,719,422.01	21.7%	1,929,968,882.63	167,750,539.38
Private Gifts, Grants, and Contracts	5.9%	561,364,097.14	5.7%	503,047,980.81	58,316,116.33
State General Funds	21.5%	2,059,165,157.98	21.8%	1,942,545,355.47	116,619,802.51
Student Fees					
University Extension	1.1%	100,632,371.04	1.1%	96,379,181.43	4,253,189.61
Summer Sessions	0.3%	28,699,949.80	0.3%	26,647,252.55	2,052,697.25
Education Fees	5.3%	511,342,224.55	5.4%	477,242,966.92	34,099,257.63
Registration Fees	1.1%	101,543,429.48	1.1%	96,789,455.56	4,753,973.92
Professional Fees including Medicine, Dentistry, Pharmacy, Law	0.5%	52,232,233.10	0.5%	47,947,404.18	4,284,828.92
Other Student Fees including Alternative MBA Programs	0.9%	82,056,012.59	0.8%	73,281,738.07	8,774,274.52
		876,506,220.56		818,287,998.71	58,218,221.85
Other Sources including federal overhead, DOE Lab management fee, mail & telecommunications services	7.8%	740,848,017.34	7.7%	683,925,473.05	56,922,544.29
Sales & Services including clinics, museums, theaters, and auxiliary enterprises	6.4%	616,031,311.22	6.2%	554,504,706.66	61,526,604.56
Local Government appropriation, contracts, and grants	1.4%	130,645,293.19	1.4%	120,217,850.37	10,427,442.82
Endowments	1.2%	115,785,803.44	1.2%	103,975,622.24	11,810,181.20
University General Funds	3.8%	364,867,040.82	4.0%	354,880,089.94	9,986,950.88
State of California including special state appropriations, contracts, and grants	1.4%	138,331,162.93	1.5%	129,455,668.65	8,875,494.28
TOTAL GROSS PAY	<u>100.0%</u>	<u>9,559,120,183.43</u>	<u>100.0%</u>	<u>8,898,923,086.18</u>	<u>660,197,097.25</u>

Office of the President

TO MEMBERS OF THE COMMITTEE ON COMPENSATION:

INFORMATION ITEM

For Meeting of March 19, 2009

**ANNUAL REPORT ON COMPENSATED OUTSIDE PROFESSIONAL ACTIVITIES
FOR CALENDAR YEAR 2008: INCUMBENTS IN SENIOR MANAGEMENT
POSITIONS**

Attached is the annual report, for calendar year 2008, of compensated outside professional activities (OPA) of members of the Senior Management Group (SMG).

As stated in Presidential Policy:

“...Longstanding University policies and practices, including Regents’ Standing Orders, have recognized the value of contributions made by University employees to external educational and research institutions, not-for-profit professional associations, state and Federal government, and private sector organizations. Considerable benefit accrues to the University from such service, deriving from association of University leaders with business leaders and the exchange of ideas among them. Such associations are intended to create a broader and deeper understanding and awareness of the University of California and its value to the State and the nation...”

The attached report reflects the individually certified declarations of every member of the SMG regarding their compensated OPA that occurred in calendar year 2008. SMG members who separated from the University prior to January 1, 2009 and individuals who only served in SMG positions in an acting capacity are not included in this report. Compensated OPA that occurred prior to 2008 are not included in the report with the exception of those activities that were inadvertently omitted from the 2007 compensated OPA report.

Following the individual certification by SMG members, the Chancellors, Lawrence Berkeley Laboratory Director and the Division and Department Heads of the Office of the President certified as to the inclusion of all SMG members meeting the aforementioned criteria.

Please note that the collection of information pertaining to outside professional activities is currently governed by a number of policies currently in effect and listed below:

- January 2007 Regental Interim Modifications to the Presidential Policy on Outside Professional Activities
- September 2000 Revised Guidelines for The Presidential Policy on Outside Professional Activities for University Officers and Designated Staff
- July 1995 Presidential Policy on Outside Professional Activities for University Officers and Designated Staff
- March 1995 Regental Policy on Outside Professional Activities of the President, Principal Officers of the Regents, and Officers of the Regents.

The review and development of a single policy on outside professional activities is a priority of the current policy review project, and is currently under way.

Report Highlights

The entire reporting population's compensated OPA conformed to the January 2007 Regental Interim Modifications to the Presidential Policy on Outside Professional Activities, including the limit pertaining to compensated board service on for-profit boards.

(Attachment)

Outside Professional Activity Final Report
Compensated Activities
Reporting Year: January 1, 2008 to December 31, 2008
Location: ALL

Employee Name Name of Org (Prof/ Svc Provided For)	Location Non-Profit=N Profit=P	Role	Working Title		Cash Comp (\$)	Deferred Comp (\$)	Description Deferred Comp	Other Comp (\$)	Description Of Other Comp	Grant Type	# Granted	Strike Price Per Share(\$)	Comments
			Time Served (Hrly)*	Vacation Taken (Hrly)									
ABBASCHIAN, REZA		UCR	Dean-Engineering										
Gemesis	P	Board Member and Research Advisor	16	16			0			Stock Options	4,000	1.00	In 2006 Gemesis donated 2 crystal growth machines and samples to UCR for research purposes.
ALIVISATOS, A PAUL		LBNL	Deputy Director										
Solexant, Inc.	P	Board Member	48	48	\$50,000					Stock Options	400,000	.05	
Invitrogen, Inc.	P	Scientific Advisory Board Member	22	16	\$40,000								
SEEO, Inc.	P	Scientific Advisory Board Member	8	0	\$25,000					Stock Options	25,000	.04	
Trident Capital Management	P	Scientific Advisory Board Member	4	0	\$20,000								
American Chemical Society	N	Editor	156	0	\$50,000								
BAGGETT, MARGARITA M		UCSD	Chief Patient Care Services Officer, UCSD Medical Center										
American Nurses Credentialing Center	P	Consultant	81	81	\$22,500								
BARRETT, KIM ELAINE		UCSD	Dean - Graduate Studies										
University of North Carolina Chapel Hill	N	Chair Scientific Adv Cmte Digestive Diseases Ctr	16	16	\$1,500								
National Institutes of Health	N	Review panel member	16	16	\$400								
University of Edmonton	N	Lecturer	32	32	\$500								
University of Nebraska	N	Lecturer and seminar speaker	16	16	\$500								
University of Tennessee	N	Seminar speaker	16	16	\$250								
Texas Tech University	N	Workshop	24	24	\$500								

Outside Professional Activity Final Report
Compensated Activities
Reporting Year: January 1, 2008 to December 31, 2008
Location: ALL

Employee Name	Location	Working Title	Time Served (Hrly)*	Vacation Taken (Hrly)	Cash Comp (\$)	Deferred Comp (\$)	Description Deferred Comp	Other Comp (\$)	Description Of Other Comp	Grant Type	# Granted	Strike Price Per Share(\$)	Comments
BARRETT, KIM ELAINE	UCSD	Dean - Graduate Studies											
Ferring Pharmaceuticals	P	seminar presenter Speaker	8	0	\$5,000								
BIGGART, NICOLE W	UCD	DEAN-GRADUATE SCHOOL OF MANAGEMENT											
U.S. Bank	P	Board Member	12	12	\$6,000								
BIRGENEAU, ROBERT J.	UCB	Chancellor											
Cabot Microelectronics Corporation	P	Board Member	24	24	\$50,000					Restricted Stock Units	2,000	32.19	Plus 6000 stock options with a strike price of \$32.19
BISHOP, JOHN M	UCSF	Chancellor											
Salk Institute for Biological Research	N	General Advisor	24	0	\$10,000								
Institute for Research in Biomedicine (IRB)	N	Lecturer/Attendee	8	8	\$10,000								Nobel Lecture Series
Wright Foundation Science Colloquium	N	Lecturer/Attendee	40	40	\$7,000								
Salk Institute for Biological Research	N	General Advisor	24	0	\$10,000								Due to an oversight this activity was inadvertently reported as uncompensated in 2007.
Schering-Plough Biopharma	P	Scientific Advisor	16	16	\$20,000								
BOSSERT, STEVEN T.	UCR	Dean-Graduate School of Education											
Teacher Education Accreditation Council	N	Consultant	2	0	\$250								
BRENNER, DAVID ALLEN	UCSD	Vice Chanc - Health Sci and Dean, School of Medicine											
Promedior Scientific Advisory Board	P	Advisory board member	12	12	\$4,000								
Alcoholic Beverage Medical Research Foundation	N	Board of Trustees Member	11	8	\$1,000								
Washington Univ DDRCC External Advisory Board	N	External Advisory	19	16	\$1,000								

Outside Professional Activity Final Report
Compensated Activities
Reporting Year: January 1, 2008 to December 31, 2008
Location: ALL

Employee Name	Location	Working Title	Time Served (Hrly)*	Vacation Taken (Hrly)	Cash Comp (\$)	Deferred Comp (\$)	Description Deferred Comp	Other Comp (\$)	Description Of Other Comp	Grant Type	# Granted	Strike Price Per Share(\$)	Comments
		Board member											
BRESLAUER, GEORGE W	UCB	Executive Vice Chancellor & Provost											
Bellwether Publishers	P	Editor	100	0	\$37,000								
BURTIS, KENNETH C	UCD	DEAN-COLLEGE OF BIOLOGICAL SCIENCES											
Lebanese American University	N	External reviewer of grad program in Molecular Bio	40	40	\$2,500								
BYUS, CRAIG V	UCR	Dean - Division of Biomedical Sciences											
Air Resources Board	N	Member	32	0	\$400								
CAMPBELL, THOMAS J.	UCB	Dean-Haas School of Business											
Form Factor, Inc	P	Board Member; Governance Committee	16	16	\$30,000			\$38,340	500 shares Restricted Stock Vested	Restricted Stock Units	6,250	40.98	1500 shares vested
Visa, Inc	P	Member, Chair Governance Committee	24	24	\$51,000			\$5,000	Match to St Ignatius High School, Chicago, IL	Restricted Stock Units	3,682		Indeterminate value
Kaiser Family Foundation	N	Member, Chair Finance Committee	16	16	\$14,750			\$10,000	2-1 match to St. Ignatius High School, Chicago, Illinois				
California Alumni Association-Cal Discovery	N	Faculty Host for Alumni Tour	80	80				\$20,120	2 week trip to Antartica. Room and board provided for self and wife				Vacation and leave without pay taken.
CHEMERINSKY, ERWIN STUART	UCI	Dean - Donald Bren School of Law											
BAR/BRI	P	Lecturer	10	0	\$10,500								
Aspen Law and Business	P	Author	0	0	\$34,627								Book royalties
Judicial and Academic Conferences	N	Lecturer	0	0	\$15,000								Estimated amount. Actual amount not known until receipt of W-9 forms.
CHU, STEVEN	LBNL	Laboratory Director											
NVDIA	P	Board Member	72	60						Stock Options	30,000	19.76	

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Name of Org (Prof'l Svc Provided For)	Non-Profit=N Profit=P	Role											
Moore Foundation	N	Scientific Board Member	0	0	\$15,000								
CHU, STEVEN		LBNL											
MacArthur Foundation	N	Scientific Board Member	20	8	\$5,000								
Helicos Corporation	P	Scientific Board Member	0	0	\$2,000								
Codice. Idee per la Cultura	N	Lecturer and Honorary Guest	71	0				\$6,755	Spouse Travel				
Fundamenteel Onderzoek der Materie	N	Presenter and Instructor	29	0				\$6,710	Spouse Travel				
Northwestern University	N	Heilborn Distinguished Lecturer	43	24	\$5,000								
Yale University	N	Tanner Lecturer	35	32	\$9,000								
International Congress of Radiation Research	N	Invited Speaker	4	4	\$5,000								Due to an oversight, this activity was inadvertently omitted from the 2007 OPA report.
Scholars' Circle of Hillsborough School Foundation	N	Speaker	4	0				\$300	Gift Certificate				
Amended 2007 Report On File	N		0	0									The amended 2007 report now includes travel time in time served + 18 addl hrs of OPA related vacation debiting. Dr. Chu has reimbursed UC \$7,228.34.
COAKER, WILLIAM JORDAN JR.		UCOP											
St. Mary's College	N	Professor	94	0	\$6,200								
Financial Planning	N	Writer	200	0	\$10,000								Service

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COWHEY,PETER F. eMobile	UCSD	Dean Graduate School of IRPS and AVC International Affairs	22	22	\$24,000					Stock Options	1,000	797.00	occured prior to UC appointment. Compensation was provided after UC appointment began.
DORR,AIMEE Council of Better Business Bureaus	UCLA	Dean – School of Grad. Ed. & Info. Studies	16	16	\$2,500								Children's Advertising Review Unit
DRACUP,KATHLEEN A American Association of Critical Care Nursing	UCSF	Dean-School of Nursing	208	0	\$40,000								
UW Institute of Translational Health Sciences			8	8	\$2,000								
DRAKE,MICHAEL V Gilead Sciences, Inc.	UCI	Chancellor	2	2	\$1,000								
Gilead Sciences, Inc.			22	16	\$20,000								
DURUISSEAU,SHELTON J Medical Board of California	UCD	SENIOR ADMINISTRATIVE AND PROFESSIONAL SERVICES OFFICER, UC DAVIS HEALTH SYSTEM	124	48	\$1,550								
EDLEY,CHRISTOPHER Russel Sage Foundation	UCB	Dean-School of Law	27	27	\$2,000								
Bill and Melinda Gates Foundation			27	27	\$8,000								
Claremont Graduate University			2	2	\$2,000								
NY State Council of Schools Superintendents			8	8	\$5,000								
Earlham College			8	8	\$7,500								

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The Century Foundation	N	Member-Board of Directors	8	0	\$1,500								
FEATHERSTONE, JOHN D B		UCSF											
Japanese Society of Conservative Dentistry	N	Presenter	40	16	\$500								Received honorarium for invited presentation during two days of the conference.
FOLEY, S ROBERT JR		UCOP											
Intelsat General Corp	P	Director of Proxy Board of Governors	56	56	\$50,000								
Frequency Electronics Inc.	P	Company Director & Member of Audit Committee	56	56	\$20,000								
ATC New Mexico	P	Sole Proxy Director	4	4	\$36,000								
FOX, MARYE ANNE		UCSD											
Boston Scientific	P	Board member	39	39		\$60,000	Deferred cash			Restricted Stock Units	9,056	13.25	
Red Hat	P	Board member	16	16	\$44	\$70,000	Deferred cash			Restricted Stock Units	3,182	22.00	
W. R. Grace Pharmaceutical Product Development, Inc	P	Board member	33	33	\$120,000								
	P	Board member	0	0									Resignation effective 01/03/2008 per agreement with Pres. Dynes; all compensation reported in 2007
Welch Foundation	N	Board member	0	0	\$46,500								
Dreyfus Foundation	N	Board member	17	17	\$23,000	\$15,500	Deferred cash						
Harvard University	N	Chem. Dept Graduate Program Reviewer	8	8	\$1,000								

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Name of Org (Prof'l Svc Provided For)	Non-Profit=N Profit=P	Role											
US - Korea Conference	N	Conference speaker	2	0	\$1,500								
FRAKER, HARRISON S JR		UCB					Dean-College of Environmental Design						
Chicago Spire Project	P	Consultant	24	8	\$7,200								
GALLOWAY, ALISON		UCSC					Vice Provost, Academic Affairs						
Charles Sote	P	Expert testimony	24	16	\$300								
GIBELING, JEFFERY C		UCD					DEAN - GRADUATE STUDIES						
University of North Texas	N	External Reviewer of Graduate Ed. Programs	25	16	\$1,000								
GIDDINGS, LELAND M		UCSD					Chief Compliance Officer, Privacy Officer, and Medical Director for Clinical Resource Manageme						
Sedgwick, Detert, Moran & Arnold LLP	P	Expert witness	30	4	\$10,465								
Sedgwick, Detert, Moran & Arnold LLP	P	Expert witness	17	0	\$5,863								
P. K. Schrieffer LLP	P	Expert witness	17	0	\$6,038								
P. K. Schrieffer LLP	P	Expert witness	4	0	\$1,313								
GILLIAM, FRANKLIN D JR		UCLA					Dean - School of Public Affairs						
Frameworks Institute	N	Consultant	40	0	\$20,000								
Blue Shield of California	N	Keynote Speaker	4	4	\$5,000								
GOTTFREDSON, MICHAEL RYAN		UCI					Executive Vice Chancellor and Provost						
Nat'l Univ. of Education at Distance, Spain	N	Lecturer	8	8	\$1,000								
GREENSTEIN, DANIEL I		UCOP					VICE PROVOST-Academic Information and Strategic Services						
National Science Foundation	N	Reviewer	8	0	\$800								
HAVIS, ALLAN		UCSD					Provost, Thurgood Marshall College						
University of Southern Claifornia School of Theatr	N	Evaluator for tenure file	5	0	\$500								
HEMMINGER, JOHN C.		UCI					Dean-School of Physical Sciences						
Battelle Pacific (Pacific Northwest Nat'l Lab)	P	Scientific Consultant	32	32	\$4,000								
Los Alamos National Laboratory	N	Scientific Consultant - MaRIE Advisory Committee	16	16	\$1,928								
Lawrence Livermore National Laboratory	N	Scientific Consultant	16	16	\$1,928								

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Name of Org (Prof'l Svc Provided For)	Non-Profit=N Profit=P	Role											
HERRERA SOBEK, MARIA	UCSB	Associate Vice Chancellor for Diversity, Equity, and Academic Policy											
University of Arizona	N	Manuscript Reviewer	4	0	\$100								
HERRERA SOBEK, MARIA	UCSB	Associate Vice Chancellor for Diversity, Equity, and Academic Policy											
University of Texas, Austin	N	Tenure Referee	5	0	\$200								
UCLA Department of Chicano Studies	N	Outside Reviewer	16	16	\$1,000								Fee of \$1,000 donated to the UC Santa Barbara Department of Chicano and Chicana Studies
HORWITZ, BARBARA A	UCD	VICE PROVOST - ACADEMIC PERSONNEL											
National Science Fellowship Review Panel	N	Reviewer	32	32	\$800								
JESTER, PAMELA J	UCOP	Director, Continuing Education of the Bar											
Alameda County Superior Court	N	Temporary Judge/Mental Health Hearing Officer	122	108	\$10,050								
JUAREZ, STEVE	UCOP	ASSOCIATE VICE PRESIDENT											
National Assoc of Counties Financial Services Corp	P	Board Member	40	24	\$15,000								Time served is inclusive of time spent prior to hire date at UC
KAMIENIECKI, SHELDON	UCSC	Dean, Social Sciences											
Mass. Institute of Technology Press	N	Co-editor of Book Series	40	0	\$375								
Various university and trade presses	N	Reviewer	24	0	\$300								
KANG, SUNG MO	UCM	Chancellor											
ZMOS	P	Chairman/Owner	6	0						Stock	25,000	1.00	Shares granted prior to 2008
Ewha Womans University	P	Speaker	3	3	\$381								
KAY, STEVE A	UCSD	Dean - Division of Biological Sciences											
Genomics Institute of the Novartis Research Found.	P	Consultant	64	64	\$64,000								
Scripps Research Institute	N	Consultant	16	16	\$24,000								

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Monsanto	P	Consultant	8	8	\$2,000								
KAY,STEVE A		UCSD											
Reset Therapeutics	P	Member Scientific Advisory Board	8	8	\$4,000								
Biolight Harvesting	P	Collaborator	8	8							400,000		Strike price per share is \$0.0001
KESSLER,DAVID A		UCSF											
Pepsico Hlth&Wellness Blue Ribbon Advisory Comm.	P	Advisory Committee Member	19	19	\$50,000								2007 activities, not included in 2007 report to the Regents
Kaiser Family Foundation	N	Board Member	28	28	\$11,000								2007 activities, not included in 2007 report to the Regents
Fleishman Hillard International	P	Advisory Board Member	10	0	\$63,333								2007 activities, not included in 2007 report to the Regents
Cleveland Clinic	N	Academic Lecturer	15	15	\$12,000								2007 activities, not included in 2007 report to the Regents
University of Minnesota	N	Lecturer	11	11	\$9,800								2007 activities, not included in 2007 report to the Regents
Revolution Health	P	Advisor	2	0	\$2,500								2007 activities, not included in 2007 report to the Regents
Princeton, NJ Lectures to M.D.s	N	Lecturer	8	8	\$15,000								2007 activities, not included in 2007 report to the Regents
Prescience International	P	Lecturer	5	5	\$3,000								2007 activities, disclosed after 2007 report submitted to the Regents.

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Mars, Inc.	P	Lecturer	8	8	\$8,000								2007 activities, not included in 2007 report to the Regents
KESSLER, DAVID A		UCSF											
Castle Connolly Med Nat'l Physician of Year Awards	P	Keynote Speaker	8	8	\$5,000								2007 activities, not included in 2007 report to the Regents
Broad Medical Research Program	N	Board Member	17	17	\$1,500								2007 activities, not included in 2007 report to the Regents
Atlantic Regional Osteopathic Convention	P	Keynote Speaker	11	11	\$10,000								2007 activities, not included in 2007 report to the Regents
Texas Pacific Group	P	Advisor	12	12									2007 activities, not included in 2007 report to the Regents
Google Health Advisory Council	P	Member	17	17	\$3,000								2007 activities, not included in 2007 report to the Regents
American University	N	Lecturer	8	8	\$10,000								2007 activities, not included in 2007 report to the Regents
KIMBLE, MARY ANNE		UCSF											
Caremark Pharmacy and Therapeutics Meeting	P	Member	70	70	\$19,750								
Prescription Solutions, Pharm & Therapeutics Mtg	P	Member	40	40	\$14,300								
KLEIN, BARRY M		UCD											
Lawrence Livermore National Laboratory	N	Consultant	16	16	\$2,000								
Lawrence Livermore National Laboratory	N	Consultant	24	16	\$3,000								
KOGUT, RICHARD MONROE		UCM											
Gerson Lehrman	P	Consultant	1	1	\$200								

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KOSHLAND,CATHERINE P	UCB	Vice Provost-Academic Planning and Facilities											
BGC Partners, Inc (formerly d-Speed)	P	Independent Director	18	15	\$54,008					Restricted Stock Units	9,916	.01	
LARET,MARK R	UCSF	Chief Executive Officer, Medical Center											
Varian Medical Systems	P	Board Member	52	44	\$80,000					Stock Options	21,000		Direct Cash = \$45,000 retainer + mtg fees totaling ~\$80,000. Options: 16,000 granted at \$49.74 on 2/16/07; 5,000 granted at \$52.61 on 2/15/08. Stock units: 4,000 granted on 2/16/07 + 1,901 granted on 2/15/08. Units vest over 3 years, valued at transfer
LAVERNIA,ENRIQUE J	UCD	DEAN - COLLEGE OF ENGINEERING											
Sandia National Labs	N	Consultant	22	22	\$25,000								
Elsevier	P	Editor	0	0	\$100,000								
LAWRENCE,JANE FIORI	UCM	Vice Chancellor- Student Affairs											
National Endowment for the Humanities, Wash, DC	N	Grant Review Panel	8	8	\$250								
LEVEY,GERALD S.	UCLA	Vice Chancellor – Medical Sciences & Dean – School of Medicine											
Payden & Rygel	P	Board Member	16	16	\$90,000								
LYDER,COURTNEY H	UCLA	Dean – School of Nursing											
Hendricks Med. Ctr. Staff Physician Cont. Ed.	N	Speaker	8	0	\$500								
Hawaiian Wound Ostomy & Continence Nursing Conf.	N	Keynote Speaker	1	1	\$2,500								
ConaTec Wound Symposium	P	Keynote Speaker	4	4	\$2,500								
MASLACH ZIMBARDO,CHRISTINA	UCB	Vice Provost-Teaching and Learning											
CPP, Inc	P	Board of	32	32	\$30,112								

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Name of Org (Prof'l Svc Provided For)	Non-Profit=N Profit=P	Role											
MATHIES,RICHARD A		Directors UCB											
Affymetrix	P	Advisory	0	0	\$7,500								
C8 Medisensors	P	Board member Consultant	6	6	\$6,000					Stock	108,000	.01	6 hours leave without pay taken in lieu of vacation leave
Nanostring Inc.	P	Consultant	0	0						Restricted Stock Units	30,000	.01	
Singulex, Inc	P	Consultant	0	0						Restricted Stock Units	26,000	.10	
ASTAR Singapore	N	External Reviewer	40	40	\$10,000								40 hours of leave without pay in lieu of vacaton leave
Allopartis	P	Scientific Advisor	0	0						Restricted Stock Units	15,000	.01	
Microchip Biotechnologies, Inc	P	Chair-Advisory Board	0	0						Stock	479,868		Majority of shares are owned as founder shares, current value indeterminant
MCAFFEE,THOMAS VARDON		UCSD											
Mark Wasser ESQ	P	Expert witness	8	8	\$7,950								
MIDANIK,LORRAINE T		UCB											
Robert Wood Foundation	N	Senior Program Consultant	144	0	\$9,055								
Alcohol Research Group	N	Affiliated Senior Scientist	240	0	\$22,500								
MINEAR,MICHAEL N		UCD											
Johns Hopkins University-Bloomberg School	N	Adjunct Faculty	150	0	\$7,200								
MONTERO,JANINA		UCLA											
SAT Committee of the College Board	N	Committee Member	66	32	\$1,825								
NACHT,MICHAEL		UCB											
Sandia National Laboratories	N	Consultant/Le	59	16	\$18,294								

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		cturer											
NACHT, MICHAEL		UCB					Dean-Goldman School of Public Policy						
Lawrence Livermore National Laboratory	N	Consultant	26	26	\$4,954								
Corporate Scenes	P	Consultant	88	31	\$120,562								Includes payment of \$14,901 for work performed in 2007
Los Alamos National Laboratory	N	Consultant	42	38	\$8,002								
Marriott International Corporation	P	Lecturer	4	4	\$5,000								
NATION, CATHRYN L		UCOP					Associate Vice President - Health Sciences						
Josiah Macy Jr. Foundation	N	National Conference Planning Committee Member	16	16	\$1,000								
OLIVER, MELVIN L		UCSB					Dean, Division of Social Sciences						
John Marshall Law School	N	Panelist	1	1	\$300								
ORESQUES, NAOMI		UCSD					Provost-Sixth College						
Dublin Institute for Advanced Studies	N	Lecturer	22	2	\$1,000								Compensation received in Euros
Norwegian University of Science and Technology	N	Keynote speaker	1	1	\$500								
Bates College	N	Guest lecturer	14	0	\$1,500								
California State University Fullerton	N	Guest lecturer	5	0	\$1,500								
Franklin and Marshall College	N	Guest lecturer	6	0	\$2,000								
OWENS, JESSIE ANN		UCD					DEAN - DIVISION OF HUMANITIES, ARTS AND CULTURAL STUDIES, COLLEGE OF LETTERS AND SCIENCE						
Ashgate Publishing	N	Series Editor	25	0	\$245								
PALLAVICINI, MARIA GEORGINA		UCM					Dean - Natural Sciences						
National Institutes of Health	N	Grant Reviewer	48	32	\$1,200								
M.D. Anderson Leukemia Advisory Exec Committee	N	Adviser	4	0	\$1,000								
Brown University	N	Seminar Speaker	8	8	\$3,500								

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Name of Org (ProFI Svc Provided For)	Non-Profit=N Profit=P	Role											
PEARSON,P DAVID		UCB											
Council of International Reading Association	N	Speaker	16	16	\$2,000								
PEARSON,P DAVID		UCB											
National Urban Alliance Conference	N	Speaker	8	8	\$2,500								
Kentucky Literacy Research Symposium	N	Speaker	24	24	\$8,000								
Conference on Reading	N	Speaker	8	8	\$1,000								Conference was sponsored by Pearson Scott Foresman Publishers
Word World	P	Advisor	64	0	\$30,000								
POLICANO,ANDREW JOHN		UCI											
Dean-Paul Merage School of Business													
Badger Meter Inc.	P	Board Member	42	32	\$36,000					Stock	769	51.95	
Rockwell Collins	P	Board Member	50	44	\$65,000	\$135,000	Restricted stock						
California Institute for Management Leadership	N	Consultant	38	0	\$125,000								
Payden Rygel	P	Trustee	8	8	\$16,000								
POMEROY,CLAIRE		UCD											
VICE CHANCELLOR - HUMAN HEALTH SCIENCES AND DEAN - SCHOOL OF MEDICINE													
Kaiser Permanente CA	N	Guest Lecturer	5	0	\$2,000								
Regional Grad. Medical Educ. Clinical Translational Science Award - USC	N	Advisor	8	8	\$4,000								
K Awards National Institutes of Health	N	Board Member	32	32	\$670								
Science Foundation - Arizona	N	Advisor	16	8	\$1,500								
REED,KEVIN S.		UCLA											
Vice Chancellor - Legal Affairs													
The Phoenix Private School	N	Provided Advice	2	0	\$745								
REISER,LISA M.		UCI											
Chief Patient Care Services Officer													
American Nursing Association Credentialing Center	P	Magnet Appraiser	120	80	\$4,000								
RELYEA,STEVEN		UCSD											
Vice Chancellor-Business Affairs													
University of British Columbia	N	Consultant	32	32	\$3,000								
RICE,ANN MADDEN		UCD											
CHIEF EXECUTIVE OFFICER-UC DAVIS MEDICAL CENTER													
U.S. Bank Board of Directors	P	Advisory Director	8	8	\$7,000								

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Name of Org (Prof Svc Provided For)	Non-Profit=N Profit=P	Role											
ROSEN,ROBERT Film Foundation	N	UCLA Chair, Archivists Council	40	0				\$1,000	Research Expenses				
ROSENSTOCK,LINDA Health Effects Institute	N	UCLA Board Member	16	8	\$3,500								
RUIZ,VICKI LYNN Latino History Documentary, WETA	N	UCI Consultant	8	0	\$500								
Latino History AP Curriculum, College Board	N	Consultant	6	0	\$250								
American Studies Program, Kennesaw State	N	Consultant	4	0	\$200								
Swarthmore College	N	Speaker	8	0	\$2,000								
California State University Stanislaus	N	Speaker	8	0	\$1,000								
Houghton Mifflin	N	Consultant	2	0	\$250								
SASTRY,SOSALE SHANKAR Cross Bow, Inc	P	UCB Board Member	12	12						Stock Options	12,500	1.00	
SAXENIAN,ANNALEE CENTRA-US Governmentment Finnish Innovation Fund	N N	UCB Advisor Consultant/Sp eaker	16 44	16 16	\$2,500 \$10,000								
SCHLISSEL,MARK S Howard Hughes Medical Institute	N	UCB Ad Hoc Member of Scientific Review Board	16	16	\$3,000								
Oregon Health Sciences University	N	Keynote Speaker	8	8	\$1,000								
University of Toronto	N	Seminar Speaker	8	8	\$200								
SEIBLE,FRIEDER Structural Design and Analysis	P	UCSD Sole proprietor and consultant	128	128	\$45,000								
SHORTELL,STEPHEN M Kaiser-Permanente Institute of Health Policy	N	UCB Consultant and Advisory Board Member	16	8	\$36,000								
Centene	P	Advisory	24	16	\$10,000								

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		Board member											
SHOWSTACK, JONATHAN A	UCSF	Assistant Vice Chancellor & Co-Chief Information Officer											
The Robert Wood Johnson Foundation	N	Editorial Board Member	16	16	\$5,000								
SIEFKIN, ALLAN D	UCD	CHIEF MEDICAL OFFICER - UC DAVIS MEDICAL CENTER											
Boehringer Ingelheim Pharmaceutical	P	Lecturer	5	0	\$1,500								
Pfizer Pharmaceutical	P	Lecturer	4	0	\$1,500								
SIMON, HORST D	LBNL	Associate Laboratory Director											
Gerson Lehman Group	P	Consultant	6	0	\$1,000								
SLOAN, LISA	UCSC	Vice Provost and Dean, Graduate Studies											
National Center for Atmospheric Research Carmel Valley Manor	N	Member	24	24	\$200								
	P	Visiting Speaker	4	4	\$200								
SPIRITUS, EUGENE	UCI	Chief Medical Officer											
Grand Rounds Lakewood Hospital	N	Lecturer	3	0	\$350								
Ground Rounds Whittier Hospital	N	Lecturer	3	0	\$500								
Whittier Hospital	N	Lecturer	3	0	\$800								
Long Beach Hospital Medical Records	N	Legal Reviewer	5	0	\$2,750								
Ennix Medical Records	N	Consultant/Reviewer	24	0	\$13,200								
Ennix	N	Consultant (Deposition)	5	5	\$3,000								
STEWART, DAVID W.	UCR	Dean-A. Gary Anderson Graduate School of Management											
Brighton Brands	P	Expert Witness	4	4	\$7,200								
The Research Grants Council of Hong Kong	P	Grant Reviewer	12	0	\$250								
STOFAN, JAMES E	UCOP	Assistant Vice President-Alumni Affairs and Protocol											
Strauss Foundation	N	Board Member	24	8	\$250								
STOVALL, TYLER E	UCB	Dean-Undergraduate Division											
University of Memphis	N	Conference Speaker	8	8	\$1,000								
STOWELL, TIMOTHY A	UCLA	Dean - Division of Humanities, College of Letters & Science											
Princeton University	N	Advisory Committee Member	16	16	\$2,500								Committee to establish a Department of Linguistics

Outside Professional Activity Final Report
Compensated Activities
Reporting Year: January 1, 2008 to December 31, 2008
Location: ALL

Employee Name	Location	Working Title	Time Served (Hrly)*	Vacation Taken (Hrly)	Cash Comp (\$)	Deferred Comp (\$)	Description Deferred Comp	Other Comp (\$)	Description Of Other Comp	Grant Type	# Granted	Strike Price Per Share(\$)	Comments
Name of Org (Prof'l Svc Provided For)	Non-Profit=N Profit=P	Role											
SULLIVAN,ROBERT S.		UCSD											
Cubic	P	Director	39	36	\$42,000								
TIRRELL,MATTHEW V		UCSB											
Dreyfus Foundation	N	Advisor	24	24	\$9,000								
Edwards Lifescience	P	Technical Advisor	8	8	\$7,500								
NGEN Partners	P	Venture Partner	3	3	\$15,000								
Genomatica	P	Advisor	0	0									
TURNER,PATRICIA A		UCD											
Folklore Research Lecture	N	Lecturer	6	6	\$200								
VAN ALFEN,NEAL		UCD											
Noble Foundation	N	Visiting Fellow	50	24	\$9,000								
Annual Reviews	N	Periodical Reviewer	50	0	\$2,000								
VAN DEN ABBEELE,GEORGES Y		UCSC											
American Council of Learned Societies/Mellon Fnd.	N	Grant Reviewer	8	0	\$200								
Unicode Conference	N	Keynote Speaker	3	3	\$500								
19th Century French Studies Colloquium 2008	N	Keynote Speaker	8	8	\$1,300								
VANDERHOEF,LARRY N		UCD											
Ryukoku University - Japan	N	Keynote speaker & symposium panel member	34	1	\$1,244								
University of Tokyo - Japan	N	Speaker & President Komiyama's Retirement Valedict	23	1	\$1,000								
WAGGENER,SHELTON		UCB											
Spikesource	P	CIO Advisory board	4	4						Stock Options	500	.20	
Univesity of British Columbia	N	Technology Assessor	24	24	\$2,500								
San Disk	P	Board Member	2	2	\$500								
WALSHOK,MARY LINDENSTEIN		UCSD											
Girard Foundation	N	Board member	8	0	\$5,000								

**Outside Professional Activity Final Report
Compensated Activities
Reporting Year: January 1, 2008 to December 31, 2008
Location: ALL**

Employee Name	Location	Working Title	Time Served (Hrly)*	Vacation Taken (Hrly)	Cash Comp (\$)	Deferred Comp (\$)	Description Deferred Comp	Other Comp (\$)	Description Of Other Comp	Grant Type	# Granted	Strike Price Per Share(\$)	Comments
Name of Org (Prof'l Svc Provided For)	Non-Profit=N Profit=P	Role											
WARTELLA, ELLEN A.		UCR											
Robert Wood Johnson Foundation	N	Consultant	22	8	\$15,000								
WARTELLA, ELLEN A.		UCR											
Children's Advertising Review Unit (CARU)	N	Advisory Board Member	8	8	\$2,500								
Joan Gantz-Cooney Center	N	Advisory Board Member	19	8	\$500								
Higher Education Resource Services (HERS) Bryn Mawr	P	Guest Speaker	16	8	\$500								
WASHINGTON, A EUGENE		UCSF											
Robert Wood Johnson Foundation	N	Board Member	80	80	\$22,500								
Massachusetts General Hospital	N	Scientific Advisory Committee	16	16	\$2,000								
California HealthCare Foundation	N	Board Member	32	32	\$34,000								
The California Wellness Foundation	N	Board Member	32	32	\$22,625								
BlueCross BlueShield Association	P	Panel Advisor	24	24	\$9,000								Medical Advisory Panel
WATERMAN, CHRISTOPHER ALAN		UCLA											
Columbia University - Dept. of Ethnomusicology	N	Visiting Lecturer	15	15	\$500								
WAUGH, SCOTT L		UCLA											
World Book Editorial Review Board	P	Advisory Role	20	0	\$2,500								
Ralph Waldo Emerson Prize for Phi Beta Kappa	N	Advisory Role	36	0	\$500								
YANG, HENRY T.		UCSB											
American Axle & Manufacturing, Inc.	P	Board Member	73	73	\$69,500		AAM Deferred Compensation Plan	\$2,577	Dividends on RSUs	Restricted Stock Units	6,500	21.83	\$21.83 price at close of NYSE 4/24/2008
YUDOF, MARK GEORGE		UCOP											
HealthTronics, Inc.	P	Board Member	4	3	\$16,333			\$7,000	Watch presented for years of service				Resigned from Board 10/08
ZEDECK, SHELDON		UCB											
Journal of Applied Psychology	N	Editor	300	0	\$18,000								\$15,000 for editing Journal,

Outside Professional Activity Final Report
Compensated Activities
Reporting Year: January 1, 2008 to December 31, 2008
Location: ALL

Employee Name		Location	Working Title		Cash	Deferred	Description	Other	Description	Strike		
Name of Org	(Prof'l Svc	Non-Profit=N	Time	Vacation	Comp	Comp	Deferred	Comp	Of Other	Price Per	Grant Type	# Granted
Provided For)	Profit=P	Role	Served	Taken	(\$)	(\$)	Comp	(\$)	Comp	Share(\$)		Comments
			(Hrly)*	(Hrly)								

\$3000 for editing handbook

* Includes time during normal business hours and non-business hours

REPORT OF INTERIM ACTIONS

Office of the Secretary and Chief of Staff
July 16, 2009

TO THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

INFORMATION ITEM

Report of Actions Taken Between Meetings

In accordance with authority previously delegated by the Regents, interim action was taken on routine or emergency matters as follows:

A. The Chair of the Committee on Compensation and the President of the University approved the following recommendations:

(1) *Administrative Stipends for Certain Individuals in the Medical Center at the San Francisco Campus*

That the following items be approved in the connection with the administrative stipends for the following individuals in the Medical Center at the San Francisco campus:

- a. Sheila Antrum as Chief Nursing and Patient Care Services Officer
 - i. Per policy, an administrative stipend of \$37,500 (15 percent) to increase her current base salary of \$250,000 to an annual salary of \$287,500. Continued classification as SLCG Grade 109 (Minimum \$214,700, Mid point \$274,300, Maximum \$333,700). This appointment is at 100 percent time.
 - ii. The stipend amount will be increased as the base salary is increased, so the stipend will equal 15 percent of the base salary, at 100 percent time.
 - iii. Per policy, continued eligibility to participate in the Clinical Enterprise Management Recognition Program (CEMRP) at the Tier II level with a maximum potential incentive of up to 25 percent (\$62,500) of base salary.
 - iv. Retroactively effective February 1, 2009 through December 31, 2009, upon approval of the Regents, including a transition period of up to three months following the permanent assignment of the

Pharmacy and Perioperative Services oversight, whichever occurs first to facilitate the smooth transition of responsibilities.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits, and standard senior management benefits (including senior management life insurance, executive business travel insurance, and executive salary continuation for disability).
- Per policy, five percent monthly contribution to the Senior Management Supplemental Benefit Program.

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.

- b. Kenneth M. Jones as Interim Chief Operating Officer
- i. Per policy, an administrative stipend of \$30,563 (6.5 percent) to increase his current base salary of \$470,200 to an annual salary of \$500,763. This appointment is at 100 percent time.
 - ii. The stipend amount will be increased as the base salary is increased, so the stipend will equal 6.5 percent of the base salary, at 100 percent time.
 - iii. Per policy, continued eligibility to participate in the Clinical Enterprise Management Recognition Program (CEMRP) at the Tier II level with a maximum potential incentive of up to 25 percent (\$117,550) of base salary.
 - iv. Retroactively effective February 1, 2009 through December 31, 2009, upon approval of the Regents, including a transition period of up to three months following the permanent assignment of the Chief Operating Officer duties, whichever occurs first, to facilitate the smooth transition of responsibilities.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits, and standard senior management benefits (including senior management life insurance, executive business travel insurance, and executive salary continuation for disability).

- Per policy, five percent monthly contribution to the Senior Management Supplemental Benefit Program.

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.

c. Susan Moore as Interim Chief Financial Officer

- i. Per policy, an administrative stipend of \$58,625 (25 percent) to increase her current base salary of \$234,500 to an annual salary of \$293,125. Continued classification as SLCG Grade 107 (Minimum \$172,300, Mid point \$218,700, Maximum \$265,000). This appointment is at 100 percent time.
- ii. The stipend amount will be increased as the base salary is increased, so the stipend will equal 25 percent of the base salary, at a 100 percent appointment.
- iii. Per policy, eligibility to participate in the Clinical Enterprise Management Recognition Program (CEMRP) at the Tier II level with a maximum potential incentive of up to 25 percent (\$58,625) of base salary.
- iv. Retroactively effective February 1, 2009 through December 31, 2009, upon approval of the Regents, including a transition period of up to three months following the permanent assignment of the Chief Financial Officer duties, whichever occurs first, to facilitate the smooth transition of responsibilities.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits.

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.

(2) ***Appointment of and Total Compensation for Ralph V. Clayman as Acting Dean – School of Medicine, Irvine Campus***

That the following items be approved in connection with the appointment of Ralph V. Clayman as Acting Dean – School of Medicine, Irvine campus:

- a. Per policy, an administrative stipend of \$120,000 (47.8 percent) to increase his current base salary of \$250,800 to \$370,800 (SLCG Grade 112: Minimum \$298,900, Midpoint \$385,300, Maximum \$471,500).
- b. Per policy, continuation of Health Sciences Compensation salary of \$119,200 for a total annual compensation of \$490,000. This reflects a 32.4 percent increase in the total annual compensation.
- c. This appointment is at 100 percent time and is effective March 1, 2009 through February 28, 2010, or until the appointment of a permanent new Dean – School of Medicine, whichever occurs first.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits.
- Per policy, accrual of sabbatical credits as a member of tenured faculty.
- Per policy, ineligible to participate in the Senior Management Supplemental Benefit Program due to tenured faculty appointment.

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.

(3) ***Reimbursement for Gerald S. Levey, Vice Chancellor – Medical Sciences and Dean – David Geffen School of Medicine, Los Angeles Campus, for Expenses Related to Audit Finds and Internal Reviews***

That the following item be approved:

Reimbursement in the amount of \$665.56 to Dr. Gerald Levey, who was provided with an incorrect Form W-2 as identified in an audit conducted by the Internal Revenue Service (IRS), for the cost of applicable tax preparation fees and IRS interest charges associated with such reimbursements as evidenced by receipts or other documentation.

(4) ***Appointment and Administrative Stipend for Max Reynolds as Deputy General Counsel – Health Law and Medical Center Services***

That the following items be approved in connection with the interim appointment of Max Reynolds as Deputy Counsel, Office of the President:

- a. Per policy, an administrative stipend of \$44,795 (21.8 percent of current base salary) per year, effective March 4, 2009 and continuing for up to 12 months for a total annual salary of \$250,000. Position classified as SLCG Grade 108 (Minimum \$192,300, Midpoint \$244,900, Maximum \$297,400).

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits.

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.

(5) ***Cash Allowance for Certain Employees Furnished with a University-Provided Cellular Phone***

That for each Senior Management Group (SMG) member or other employee whose salary exceeds the Indexed Compensation Level, which requires Regental approval, that:

Such employees receive a monthly cash allowance reimbursing them for the tax on the imputed income added to their taxable earnings for the value of a University-provided cellular phone or a cell phone-enabled personal digital assistant (PDA) and service plan. Since the cash allowance itself is taxable, it would be increased in accordance with the Internal Revenue Service (IRS) formula for grossing up such payments in order to reimburse the employee for applicable payroll taxes related to the payment.

In addition to SMG members, employees eligible to receive a cell phone or PDA include faculty, staff, and collective bargaining unit employees. These employees would also receive a cash allowance reimbursing them for the taxes associated with their University-provided cell phone or PDA.

(6) ***Appointment and Compensation for Alessandro Duranti as Dean – Division of Social Sciences, College of Letters and Science, Los Angeles Campus***

That the following items be approved in connection with the appointment and

compensation of Alessandro Duranti as Dean – Division of Social Sciences, College of Letters and Science, Los Angeles campus:

- a. An appointment salary of \$275,000, SLCG Grade 108 (Minimum \$192,300, Midpoint \$244,900, Maximum \$297,400).
- b. Per policy, ineligible for any further merit or equity increase until October 2010.
- c. This appointment is at 100 percent time and is effective July 1, 2009.
- d. Per policy, participation in the University of California Mortgage Origination Program up to a maximum loan amount (currently \$1.33 million). Participation will comply with all University/campus program parameters.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance, executive business travel insurance, and executive salary continuation for disability).
- Per policy, ineligible to participate in the Senior Management Supplemental Benefit Program due to tenured faculty appointment.
- Per policy, accrual of sabbatical credits as a member of tenured faculty.

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.

(7) ***Appointment and Compensation for Virginia A. McFerran as Chief Information Officer – UCLA Medical Enterprise, Los Angeles Campus***

That the following items be approved in connection with the appointment and compensation of Virginia A. McFerran as Chief Information Officer – UCLA Medical Enterprise, Los Angeles campus:

- a. Per policy, an appointment salary of \$344,000, SLCG Grade 110 (Minimum \$239,700, Midpoint \$307,200, Maximum \$374,500).
 - i. Per policy, ineligible for any further merit or equity increase until October 2010.
- b. Participation in the Clinical Enterprise Management Recognition Plan (CEMRP) with a maximum potential incentive of 2.5 percent, with

eligibility to begin with performance in fiscal year 2009-10.

- c. Appointment at 100 percent time, effective June 1, 2009.
- d. Per policy, eligibility to receive temporary housing assistance for a period of up to three (3) months not to exceed \$12,000.
- e. Per policy, participation in the University of California Mortgage Origination Program up to a maximum loan amount (currently \$1.33 million). Participation will comply with all University/campus program parameters.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance, executive business travel insurance, and executive salary continuation for disability).
- Per policy, eligibility for participation in the Senior Management Supplemental Benefit Program of five percent as contribution to retirement plan.
- Per policy, reimbursement up to 100 percent of reasonable and actual moving expenses.

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.

(8) ***Appointment Extension for J. Keith Gilless as Dean – College of Natural Resources, Berkeley Campus***

That the following items be approved in connection with the appointment extension for J. Keith Gilless as Dean – College of Natural Resources, Berkeley campus:

- a. Extension of the appointment end date up to June 30, 2013, or until the appointment of a permanent Dean, whichever occurs first.
- b. Continued appointment salary of \$172,300 at SLCG Grade 107 (Minimum \$172,300, Midpoint \$218,700, Maximum \$265,000).
- c. This appointment is at 100 percent time and effective July 1, 2009.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance, executive business travel insurance, and executive salary continuation for disability).
- Per policy, accrual of sabbatical credits as a member of tenured faculty.
- Per policy, eligible to participate in the Senior Management Supplemental Benefit Program due to tenured faculty appointment.

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.

(9) ***Appointment of and Total Compensation for Carla Hesse as Dean – Division of Social Sciences, College of Letters and Science, Berkeley Campus***

That the following items be approved in connection with the appointment of Carla Hesse as Dean – Division of Social Sciences, College of Letters and Science, Berkeley campus:

- a. Appointment salary of \$221,900. This represents a 15 percent increase in Ms. Hesse's adjusted faculty salary of \$192,944 (SLCG Grade 108 : Minimum \$ 192,300, Midpoint \$244 ,900, Maximum \$297,400). She will not be eligible for annual merit/equity consideration until October 2010.
- b. This appointment is at 100 percent time and effective August 1, 2009.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance, executive business travel insurance, and executive salary continuation for disability).
- Per policy, accrual of sabbatical credits as a member of tenured faculty.
- Per policy, eligible to participate in the Senior Management Supplemental Benefit Program due to tenured faculty appointment.

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.

(10) ***Interim Re-slotting and Appointment Salary for George R. Mangun as Dean – Division of Social Sciences, Davis Campus***

That the following items be approved in connection with the interim re-slotting and appointment of George R. Mangun as Dean – Division of Social Sciences, Davis campus:

- a. Approval of re-slotting of the position from SLCG Grade 107 to SLCG Grade 108 (Minimum \$192,300, Midpoint \$244,900, Maximum \$297,400).
- b. Per policy, an appointment salary of \$278,500.
- c. This appointment is at 100 percent time and effective May 1, 2009.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance, executive business travel insurance, and executive salary continuation for disability).
- Per policy, accrual of sabbatical credits as a member of tenured faculty.
- Per policy, eligible to participate in the Senior Management Supplemental Benefit Program due to tenured faculty appointment.

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.

(11) ***Interim Re-slotting for Andrew J. Policano as Dean – Paul Merage School of Business, Irvine Campus***

That the following items be approved in connection with the interim re-slotting of the position held by Andrew J. Policano as Dean – Paul Merage School of Business, Irvine campus:

- a. Interim re-slotting of the position as recommended by Mercer Human Resource Consulting, currently at SLCG Grade 109 (Minimum \$214,700, Midpoint \$274,300, Maximum \$333,700) to SLCG Grade 110 (Minimum \$239,700, Midpoint \$307,200, Maximum \$374,500).
- b. The position is at 100 percent time and the re-slotting is effective May 1, 2009.

- c. There is no salary increase associated with the re-slotting request.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance, executive business travel insurance, and executive salary continuation for disability).
- Per policy, accrual of sabbatical credits as a member of tenured faculty.
- Per policy, ineligible to participate in the Senior Management Supplemental Benefit Program due to tenured faculty appointment.
- Per policy, continued participation in the Mortgage Origination Program.

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.

(12) ***Interim Re-slotting for Franklin D. Gilliam, Jr. as Dean – School of Public Affairs, Los Angeles Campus***

That the following items be approved in connection with the interim re-slotting of the position held by Franklin D. Gilliam, Jr. as Dean – School of Public Affairs, Los Angeles campus:

- a. Interim re-slotting of the position as recommended by Mercer Human Resource Consulting, currently at SLCG 107 (Minimum \$ 172,300, Midpoint \$218,700, Maximum \$265,000) to SLCG Grade 108 (Minimum \$192,300, Midpoint \$244,900, Maximum \$297,400).
- b. This position is at 100 percent time and the re-slotting is effective May 1, 2009.

Additional items of compensation include:

- Per policy, continuation of \$250,000 appointment salary as approved by the Regents in July 2008.
- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance, executive business travel insurance, and executive salary continuation for disability).
- Per policy, accrual of sabbatical credits as a member of tenured faculty.
- Per policy, ineligible to participate in the Senior Management Supplemental Benefit Program due to tenured faculty appointment.

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.

(13) ***Appointment of and Stipend for Peter Gourevitch as Acting Dean – Graduate School of International Relations and Pacific Studies, San Diego Campus***

That the following items be approved in connection with the appointment of and compensation for Peter Gourevitch as Acting Dean – Graduate School of International Relations and Pacific Studies, San Diego campus:

- a. As an exception to policy, a 3.2 percent annual administrative stipend of \$7,200 for an annualized base salary of \$223,783 at SLCG Grade 105, (Minimum \$138,200, Midpoint \$174,300, Maximum \$210,400).
- b. If an adjustment to the professorial base salary is made prior to the termination of this acting role, the 3.2 percent stipend will be recalculated against the new professorial base salary.
- c. The appointment is at 100 percent time and is effective August 1, 2009 through January 31, 2010.

Additional compensation and related items include:

- Per policy, standard pension and health and welfare benefits.
- Per policy, accrual of sabbatical credits as a member of tenured faculty.

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.

(14) ***Appointment of and Compensation for Don E. Wayne as Provost – Revelle College, San Diego Campus***

That the following items be approved in connection with the appointment of and compensation for Don E. Wayne as Provost – Revelle College, San Diego campus:

- a. Appointment salary of \$123,000, SLCG Grade 103 (Minimum \$110,800, Midpoint \$139,000, Maximum \$167,100).
- b. The appointment is at 100 percent time and effective July 1, 2009.

Additional compensation and related items include:

- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance, executive business travel insurance, and executive salary continuation for disability).
- Per policy, accrual of sabbatical credits as a member of tenured faculty.

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.

(15) ***Interim Re-slotting for the Chief Financial Officer Position – Medical Center, San Diego Campus***

That the following interim re-slotting of the position of Chief Financial Officer, Medical Center, San Diego campus be approved:

- a. Interim re-slotting of the position from SLCG Grade 108 to SLCG Grade 110 (Minimum \$239,700, Midpoint \$307,200, Maximum \$374,500) as recommended by Mercer Human Resource Consulting.
- b. Effective May 1, 2009.

This recommendation will be released to the public as required in accordance with the standard procedures of the Board of Regents.

(16) ***Interim Slotting for Chief Quality Officer – Medical Center, San Francisco Campus***

That the following items be approved in connection with the slotting of the Chief Quality Officer position at the Medical Center, San Francisco campus:

- a. Interim slotting of a new Senior Management Group position of Chief Quality Officer at SLCG Grade 111 (Minimum \$267,700, Midpoint \$344,000, Maximum \$420,100), as recommended by Mercer Human Resource Consulting.
- b. This position is at 100 percent time and is currently vacant.
- c. Effective May 1, 2009.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance, executive business travel insurance, and executive salary continuation for disability).
- Per policy, a five percent monthly contribution to the Senior Management Supplemental Benefit Program.

This recommendation will be released to the public as required in accordance with the standard procedures of the Board of Regents.

(17) ***Change in Senior Management Group Title and Interim Re-slotting for Vice Chancellor – Chief Information Officer, San Francisco Campus***

That the following items be approved in connection with the interim re-slotting of the Vice Chancellor – Chief Information Officer, San Francisco campus:

- a. Change in Senior Management Group position title from Associate Vice Chancellor – Chief Information Officer to Vice Chancellor – Chief Information Officer.
- b. Interim re-slotting for position of Vice Chancellor – Chief Information Officer at SLCG Grade 109 (Minimum \$214,700, Midpoint \$274,300, Maximum \$333,700), as recommended by Mercer Human Resource Consulting. This position is at 100 percent time.
- c. Effective May 1, 2009.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance, executive business travel insurance, and executive salary continuation for disability).
- Per policy, a five percent monthly contribution to the Senior Management Supplemental Benefit Program.

This recommendation will be released to the public as required in accordance with the standard procedures of the Board of Regents.

(18) ***Interim Slotting for Vice Chancellor – Research, San Francisco Campus***

That the following items be approved in connection with the interim slotting of the Vice Chancellor – Research position at the San Francisco campus:

- a. Interim slotting of the new Senior Management Group position of Vice Chancellor – Research at SLCG Grade 110 (Minimum \$ 239,700, Midpoint \$307,200, Maximum \$374,500), as recommended by Mercer Human Resource Consulting.
- b. This position is at 100 percent time and is currently vacant.
- c. Effective May 1, 2009.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance, executive business travel insurance, and executive salary continuation for disability).
- Per policy, a five percent monthly contribution to the Senior Management Supplemental Benefit Program.

This recommendation will be released to the public as required in accordance with the standard procedures of the Board of Regents.

(19) ***Stipend Extension for Certain Individuals at the San Francisco Campus***

That the following administrative stipend extensions for the following individuals at the San Francisco campus be approved:

- a. As an exception to policy, extension of the appointment duration for Randy Lopez as Acting Vice Chancellor – Finance and Administration, effective July 1, 2009 through June 30, 2010, or until a permanent organizational structure is implemented, whichever occurs first and including up to a three-month overlap in service for transition of duties. This constitutes an exception to policy which allows for acting appointments of up to 12 months. In addition:
 - i. Per policy, extension of the administrative stipend of \$41,625 (15 percent) to increase his current base salary of \$277,500 to an annual salary of \$319,125.
 - ii. The stipend amount will be increased as the base salary is increased, so the stipend will equal 15 percent of the base salary, at a 100-percent-time appointment.
 - iii. Per policy, continued eligibility for participation in the Finance and Administrative Services Incentive Plan (FAS) with a maximum potential incentive of up to ten percent of base salary (\$27,750).

This item is contingent on Regental actions related to SMG eligibility for bonus and incentive payments.

- iv. Per policy, standard pension and health and welfare benefits, and standard senior management benefits (including senior management life insurance, executive business travel insurance, and executive salary continuation for disability).
 - v. Per policy, continued five percent monthly contribution to the Senior Management Supplemental Benefit Program.
- b. As an exception to policy, extension of the appointment duration for Eric Vermillion as Associate Vice Chancellor – Finance, effective June 1, 2009 through May 31, 2010, or until a permanent organizational structure is implemented, whichever occurs first and including up to a three-month overlap in service for transition of duties. This constitutes an exception to policy which allows for acting appointments of up to 12 months. In addition:
- i. Per policy, extension of the administrative stipend of \$20,813 (7.5 percent) to increase his current base salary of \$277,500 to an annual salary of \$298,313.
 - ii. The stipend amount will be increased as the base salary is increased, so the stipend will equal 15 percent of the base salary, at a 100-percent-time appointment.
 - iii. Per policy, continued eligibility for participation in the Finance and Administrative Services Incentive Plan (FAS) with a maximum potential incentive of up to ten percent of base salary (\$27,750). This item is contingent on Regental actions related to SMG eligibility for bonus and incentive payments.

Per policy, standard pension and health and welfare benefits, and standard senior management benefits (including senior management life insurance, executive business travel insurance, and executive salary continuation for disability).
 - iv. Per policy, continued five percent monthly contribution to the Senior Management Supplemental Benefit Program.

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.

(20) ***Promotional Appointment of and Compensation for Jeffrey A. Blair as Deputy General Counsel – Litigation, Labor and Employment, Office of the General Counsel, Office of the President***

That the following items be approved in connection with the promotional appointment of and compensation for Jeffrey A. Blair as Deputy General Counsel – Litigation, Labor and Employment, Office of the General Counsel, Office of the President:

- a. Appointment of Jeffrey A. Blair as Deputy General Counsel – Litigation, Labor and Employment, effective May 1, 2009.
- b. Base salary of \$250,000 per annum (SLCG Grade 10 8: Minimum 192,300, Midpoint \$244,900, Maximum \$297,400). This represents a 9.6 percent increase over current total salary.
- c. Per policy, eligibility to participate in the University's Mortgage Origination Program.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits standard senior management benefits (including senior management life insurance, executive business travel insurance, and executive salary continuation for disability).
- Per policy, a five percent monthly contribution to the Senior Management Per policy, and Supplemental Benefit Program.

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.

(21) ***Promotional Appointment of and Compensation for David M. Birnbaum as Deputy General Counsel – Educational Affairs and Campus Services, Office of the General Counsel, Office of the President***

That the following items be approved in connection with the promotional appointment of and compensation for David M. Birnbaum as Deputy General Counsel – Educational Affairs and Campus Services, Office of the General Counsel, Office of the President:

- a. Appointment of David M. Birnbaum as Deputy General Counsel – Educational Affairs and Campus Services, effective May 1, 2009.

- b. Appointment salary of \$250,000 per annum (SLCG Grade 108: Minimum 192,300, Mid point \$244,900, Maximum \$297,400). This represents an 11.1 percent increase over current total salary.
- c. Per policy, eligibility to participate in the University's Mortgage Origination Program.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance, executive business travel insurance, and executive salary continuation for disability).
- Per policy, a five percent monthly contribution to the Senior Management Supplemental Benefit Program.

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.

(22) ***Administrative Stipend and Extension of Interim Appointment for John R. Sandbrook as Interim Chief of Staff, Office of the President***

That the following items be approved in connection with the extension of the interim appointment of John R. Sandbrook as Chief of Staff, Office of the President:

- a. In accordance with the original appointment request approved at the May 2008 Regents meeting, the President recommends approval to extend Mr. Sandbrook's interim appointment, currently scheduled to end May 31, 2009, for an additional period not to exceed seven months, or not later than December 31, 2009. The appointment salary would remain unchanged at \$200,000 per annum. This appointment is at 100 percent time. A search to fill the position on a permanent basis will begin with an anticipated appointment date of no later than the end of the calendar year. A reasonable transition will be accommodated, but not to exceed December 31, 2009.
- b. Effective June 1, 2009, continue Regent-approved reimbursements for temporary housing (up to \$3,500 per month) and weekly roundtrip coach airfare (estimated at approximately \$1,200 per month) and reimbursement of ground transportation/rental car. These reimbursements to Mr. Sandbrook for the first year were non-taxable, but IRS regulations

require the se to be t reated as t axable inco me on ce the d uration ex ceeds one year.

- c. Effective June 1, 2009, and continuing through Mr. Sandbrook's interim appointment, provide a stipend in the amount of \$2,000 (12 percent) per month. The stipend, which is within policy, will be subject to normal taxes and withholding. This stipend is for the temporary additional duties that Mr. Sandbrook assumed in relation to the search processes and transitions for two chancellors and other senior management personnel as part of President Yudof's transition.

Additional items of compensation include:

- Standard health and welfare benefits.

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.

- (23) ***Reimbursement to Diane Griffiths, Secretary and Chief of Staff to the Regents, for Expenses Related to the University's Administrative Error in Withholding Appropriate Taxes***

That the following item be approved:

- a. Reimbursement in the amount of \$125 to Diane Griffiths, who was provided with an incorrect Form W-2, for the costs associated with tax advice resulting from this error as evidenced by receipts or other documentation.

- (24) ***Interim Re-Slotting, Appointment, and Compensation for Teri Schwartz as Dean – School of Theater, Film, and Television, Los Angeles Campus***

That the following items be approved in connection with the appointment of Teri Schwartz as Dean – School of Theater, Film and Television, Los Angeles campus:

- a. Approval of interim re-slotting of the position from SLCG Grade 107 to SLCG Grade 109 (Minimum \$214,700, Midpoint \$274,300, Maximum \$333,700) as recommended by Mercer Human Resource Consulting.
- b. An appointment salary of \$325,000. Per policy, ineligible for any further merit or equity increase until October 2010.
- c. This appointment is at 100 percent time and is effective July 1, 2009.

- d. Per policy, participation in the University of California Mortgage Origination Program up to a maximum loan amount (currently \$1.33 million). Participation will comply with all University/campus program parameters.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance, executive business travel insurance, and executive salary continuation for disability).
- Per policy, accrual of sabbatical credits as a member of tenured faculty.
- Per policy, ineligible to participate in the Senior Management Supplemental Benefit Program due to tenured academic appointment.

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.

(25) ***Appointment of and Total Compensation for Peter A. Hayashida as Vice Chancellor – University Advancement, Riverside Campus***

That the following items be approved in connection with the appointment and compensation of Peter A. Hayashida as Vice Chancellor – University Advancement, Riverside campus:

- a. Appointment of Peter A. Hayashida as Vice Chancellor – University Advancement, Riverside campus, at 100 percent time, effective July 1, 2009.
- b. Base salary of \$265,000 at SLC GG grade 108 (Minimum \$192,300, Midpoint \$244,900, Maximum \$297,400). This represents a 37.8 percent increase to Mr. Hayashida's current base salary of \$192,300 at MSP VI (Minimum \$97,400, Midpoint \$136,400, Maximum \$175,300).
- c. Per policy, an annualized automobile allowance in the amount of \$8,916.
- d. Per policy, eligibility to participate in the University's Mortgage Origination Program.
- e. Per policy, 100 percent reimbursement of actual and reasonable relocation expenses, to be completed within one year of assuming the position of Vice Chancellor – University Advancement.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits (including senior management life insurance, executive business travel insurance, and executive salary continuation for disability).
- Per policy, a five percent monthly contribution to the Senior Management Supplemental Benefit Program.

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.

(26) ***Appointment Extension for Keith E. Alley, Executive Vice Chancellor and Provost, Merced Campus***

Keith E. Alley has been asked by the Chancellor to continue to serve as Executive Vice Chancellor and Provost for an additional period of up to three years. Mr. Alley was appointed to this post in June 2006 when the former Chancellor and the former Executive Vice Chancellor resigned their posts within a two-month period. It was the intent that a search for a successor to Mr. Alley would be undertaken following the appointment of a successor Chancellor. A national search effort was launched last fall to identify a new Executive Vice Chancellor and Provost; however, the search was deemed unsuccessful upon the withdrawal of the leading candidate. Mr. Alley is a neffective and seasoned academic administrator who brings an extensive knowledge of the campus to the post of Executive Vice Chancellor and Provost.

That the following items be approved in connection with the Appointment Extension for Keith E. Alley, Executive Vice Chancellor and Provost, Merced campus:

- a. Continued appointment salary of \$240,500 (SLCG Grade 108: Minimum \$192,300 Midpoint \$244,900 Maximum \$297,400), at 100 percent time.
- b. This appointment is effective July 1, 2009 through June 30, 2012, or until the effective date of the appointment of a permanent Executive Vice Chancellor and Provost, whichever occurs first, including up to a three-month overlap in service.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance,

executive business travel insurance, and executive salary continuation for disability.)

- Per policy, an automobile allowance in the form of a monthly cash allowance of \$743 (\$8,916 per annum).
- Per policy, ineligible to participate in the Senior Management Supplemental Benefit Program due to tenured faculty appointment.
- Per policy, accrual of sabbatical credits as a member of tenured faculty.

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.

(27) ***Appointment and Administrative Stipend for Larry A. Coldren as Acting Dean, College of Engineering, Santa Barbara Campus***

After a decade of extraordinary accomplishments and contributions as Dean of the College of Engineering, Professor Matthew Tirrell will be taking a new position at UC Berkeley. Following consultation with the Academic Senate and administrative and faculty colleagues, UC Santa Barbara is appointing Professor Larry Coldren as Acting Dean, College of Engineering, effective July 1, 2009. The search for the next Dean of Engineering is already well underway, and the successful conclusion of this search is anticipated within a year's time.

That the following items be approved in connection with the appointment of Larry A. Coldren as Acting Dean, College of Engineering, Santa Barbara campus:

- a. Per policy, administrative stipend of 9.6 percent to increase his base salary to a total annual salary of \$270,900.
- b. Appointment is 100 percent time, effective July 1, 2009 through June 30, 2010, or until the appointment of a permanent Dean – College of Engineering, whichever occurs first.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits.
- Per policy, continued accrual of sabbatical credits as a member of tenured faculty.
- Per policy, ineligible to participate in the Senior Management Supplemental Benefit Program due to tenured faculty appointment.

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.

(28) ***Appointment Compensation Amendment for Pierre Wiltzius as the Susan and Bruce Worster Dean of Science, Division of Mathematical, Life, and Physical Sciences, College of Letters and Science, Santa Barbara Campus***

After a national search, the Santa Barbara campus recently recruited and hired Professor Pierre Wiltzius as the Worster Dean of Science, Division of Mathematical, Life and Physical Sciences, College of Letters and Science, Santa Barbara campus. He was appointed to this position effective October 1, 2008. At the request of the Santa Barbara campus, the Regent's Appointment Item for Professor Wiltzius stipulated reimbursement of 100 percent of actual and reasonable moving expenses, up to \$10,000. The campus now finds that \$10,000 is inadequate to provide 100 percent reimbursement of actual expenses for moving Professor Wiltzius, his family, and his household goods from Champaign, Illinois to Santa Barbara. Professor Wiltzius has obtained several competitive bids, the lowest of which is approximately \$17,000. The campus wishes to reimburse Professor Wiltzius for the full cost of his relocation, and is seeking approval to pay 100 percent of all actual and reasonable moving expenses.

That the following items approved in connection with the appointment salary for Pierre Wiltzius as the Susan and Bruce Worster Dean of Science, Division of Mathematical, Life and Physical Sciences, College of Letters and Science, Santa Barbara campus, be amended:

- a. Per policy, reimbursement of 100 percent of actual and reasonable moving expenses.

Additional items of compensation already approved in July 2008 include:

- Per policy, appointment salary of \$255,000 (SLCG Grade 107: Minimum \$167,600 Midpoint \$212,700 Maximum \$257,800) at 100 percent time.
- Per policy, standard pension and health and welfare benefits.
- Per policy, \$63,750 (25 percent) lump sum relocation allowance, subject to a repayment requirement in the event that Professor Wiltzius resigns within the first four years of employment.
- Per policy, reimbursement of 100 percent of the actual moving expenses up to \$10,000.
- Per policy, one house-hunting trip not to exceed four days, for Professor Wiltzius and his spouse. Coach air fare, meals and lodging will be reimbursed up to \$2,500.
- Per policy, participation in the Mortgage Origination Program Loan (MOP).

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.

- B. The Chairman of the Board, the Chair of the Committee on Finance, and the Chair of the Committee on Compensation approved the following recommendation:

(1) ***Approval of Costs Associated with the Relocation of Automobiles for Mark G. Yudof as President of the University of California***

That the following item be approved in connection with costs associated with the relocation of personal effects:

Authorization to pay the balance of costs amounting to \$3,548.92 relating to the shipment of two vehicles from Austin, Texas to Oakland, California.

- C. The Chairman of the Board and the Chair of the Committee on Governance approved the following recommendation:

(1) ***Appointment of Regents to Standing Committees***

That, effective for the year commencing July 1, 2009:

- c. Regent Kieffer be appointed to the Committees on Investments, Long Range Planning, and Oversight of the Department of Energy Laboratories.
- d. Regent Zettel be appointed to the Committees on Compliance and Audit, Grounds and Buildings, and Health Services.
- e. Regent Zettel shall serve as the alternate Regents' representative to the California Postsecondary Education Commission.

- D. The Chairman of the Board, the Chair of the Committee on Grounds and Buildings, and the President of the University approved the following recommendations:

(1) ***Amendment of the Budget for Capital Improvements and the Capital Improvement Program and Approval of External Financing, 3200 Regatta Renovation, Berkeley Campus***

Pursuant to Standing Order 100.4(q)

- a. That the Budget for Capital Improvements and the Capital Improvement Program include the following project:

Berkeley: 3200 Regatta Renovation – preliminary plans, working drawings, and construction – \$16,900,000, to be funded

from external financing (\$15,100,000) and campus funds – campus real estate revenues (\$1,800,000).

Pursuant to Standing Order 100.4(nn)

- b. That the President be authorized to obtain external financing not to exceed \$15,000,000 to finance the 3200 Regatta Renovation project. The President requires that:
- i. Interest only, based on the amount drawn down, shall be paid on the outstanding balance during the construction period;
 - ii. As long as the debt is outstanding, the Berkeley campus will receive as rent from building tenants amounts sufficient to pay the debt service and meet the related requirements of the authorized financing;
 - iii. The general credit of the Regents shall not be pledged.
- c. That the Officers of The Regents be authorized to execute all documents necessary in connection with the above.
- E. The Chair of the Committee on Grounds and Buildings and the President of the University approved the following recommendations:

(1) ***Certification of Environmental Impact Report and Approval of Design, National Oceanic and Atmospheric Administration La Jolla Laboratory Replacement Project, San Diego Campus***

Upon review and consideration of the environmental consequences of the proposed project:

- a. Certification of the Environmental Impact Report.
- b. Adoption of the Findings and Mitigation Monitoring Program.
- c. Approval of the design of the National Oceanic and Atmospheric Administration La Jolla Laboratory Replacement Project, San Diego campus.

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(2) ***Adoption of Mitigated Negative Declaration and Approval of Design, Porter College Phase 2 – House A Seismic, Capital Renewal and Expansion Project, Santa Cruz Campus***

Upon review and consideration of the environmental consequences of the proposed project:

- a. Adoption of the Initial Study and Mitigated Negative Declaration.
- b. Adoption of the Findings and Mitigation Monitoring Program.
- c. Approval of the design of the Porter College Phase 2 – House A Seismic, Capital Renewal and Expansion Project, Santa Cruz campus.

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F. The Vice Chair of the Committee on Grounds and Buildings, the Chair of the Committee on Finance, and the President of the University approved the following recommendation:

(1) ***Authorization to Submit Applications for Facility Grant Funding Under the American Recovery and Reinvestment Act of 2009***

That the President be authorized to solicit Facility Grant Funding under the *American Recovery and Reinvestment Act of 2009*. Approval of the individual capital projects that are the subject of the award, including financial feasibility for which the grant funding would be applied, would follow the standard University approval practices.

Diane M. Griffiths

C2

COMMITTEE ON COMPENSATION

ACTION ITEM

For Meeting of July 16, 2009

**APPROVAL OF INDIVIDUAL COMPENSATION ACTIONS AS DISCUSSED IN
CLOSED SESSION**

RECOMMENDATION

The Committee recommends:

A. *Appointment and Compensation for Jim M. Murry as Chief Information Officer, Medical Center, Irvine Campus*

UC Irvine has concluded a national search for the Chief Information Officer (CIO) at the UC Irvine Medical Center and Jim M. Murry has been selected as the top candidate. Mr. Murry has been serving as Interim CIO since November 1, 2008, after the position was vacated on October 21, 2008. Mr. Murry is uniquely qualified to manage information systems, which play a critical role in several high-priority complex initiatives in the Medical Center. He also has well over 20 years of experience in managing information systems in various large complex organizations, including positions at UC Irvine, City of Hope National Medical Center, and Kaiser Permanente. Most recently, Mr. Murry has demonstrated his technical and leadership abilities within the UC Irvine Medical Center structure through his strong performance as Interim CIO.

This position is funded from the medical center general operating fund, rather than UC general funds provided by the State. The proposed base salary of \$274,300 is below the previous incumbent's base salary of \$301,600 and is slightly above the current market median of \$260,100. Market data are provided by Mercer Human Resource Consulting and include data from the Health Care Executive Compensation Survey by Clark Consulting for "Integrated Academic Health Care Organizations" with median net revenue of \$859 million. The proposed base salary is equal to the midpoint of the salary range for the position and is less than the average base salary (\$313,000) for the Chief Information Officers at the other UC medical centers.

Approval of the following items in connection with the appointment of Jim M. Murry as Chief Information Officer, Medical Center, Irvine campus:

- (1) Per policy, appointment salary of \$274,300 (SLCG Grade 109: Minimum \$214,700, Midpoint \$274,300, Maximum \$333,700). No increase to annual base salary is associated with this appointment.
- (2) Per policy, participation in the Clinical Enterprise Management Recognition Plan (CEMRP), with a maximum potential incentive of 25 percent (\$68,575) of annual base salary, with eligibility to begin with performance in fiscal year 2009-10. This incentive program is funded through clinical revenue and does not use State funds.
- (3) This appointment is at 100 percent time and effective July 1, 2009.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance, executive business travel insurance, and executive salary continuation for disability).
- Per policy, five percent monthly contribution to the Senior Management Supplemental Benefit Program.
- Position is funded 100 percent by Medical Center general operating fund. No State general funds are used for this position.

Base salary market data (as provided by Mercer Human Resource Consulting):

<u>25th Percentile</u>	<u>50th Percentile</u> (median)	<u>75th Percentile</u>
\$238,900	\$260,100	\$314,800

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.

B. *Appointment and Administrative Stipend for Valerie Jenness as Acting Dean – School of Social Ecology, Irvine Campus*

The Dean – School of Social Ecology position will be vacated by the current Dean on June 30, 2009. The Irvine campus is in the beginning stages of a national search. It is imperative that the School have strong leadership in place during this transitional period. Valerie Jenness has been recognized as an excellent candidate to serve as Acting Dean. She has proven her success as an administrator in prior administrative assignments, such as serving as Chair of the Department of Criminology, Law and Society (2001-2006). She has been the recipient of several outstanding campus service awards as well as prestigious awards recognizing her research. She is highly respected and will be able to provide the School with the continuity of leadership that it needs.

This position is funded from UC general funds provided by the State. The proposed total salary of \$180,000 is below the previous incumbent's base salary of \$195,200 and also is significantly below the current market median of \$255,800. Market data are provided by Mercer Human Resource Consulting and include data from the College and University Professional Association (CUPA) Administrative Compensation Survey for all doctoral institutions. The most comparable benchmark in this survey is the Dean – Social Sciences.

Approval of the following items in connection with the appointment of Valerie Jenness as Acting Dean – School of Social Ecology, Irvine campus:

- (1) Per policy, an administrative stipend of \$24,878 (16.0 percent). The stipend plus the adjusted faculty salary of \$155,122 result in total annual compensation of \$180,000 (SLCG Grade 105: Minimum \$138,200, Midpoint \$174,300, Maximum \$210,400).
- (2) If an adjustment to the base faculty salary is made prior to the termination of this acting appointment, the total annual compensation of \$180,000 will remain unchanged.
- (3) This appointment is at 100 percent time and effective July 1, 2009 through June 30, 2010, or until the appointment of a permanent Dean – School of Social Ecology, whichever occurs first.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits.
- Per policy, accrual of sabbatical credits as a member of tenured faculty.
- Per policy, ineligible to participate in the Senior Management Supplemental Benefit Program due to tenured faculty appointment.
- Position is funded 100 percent by UC general funds provided by the State.

Base salary market data (as provided by Mercer Human Resource Consulting):

<u>25th Percentile</u>	<u>50th Percentile</u> (median)	<u>75th Percentile</u>
\$215,000	\$255,800	\$298,200

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.

C. *Appointment and Compensation for Joshua S. Adler, M.D., as Chief Medical Officer, Medical Center, San Francisco Campus*

UC San Francisco has concluded a national search for the Chief Medical Officer and Joshua S. Adler, M.D. has been selected as the top candidate. Following the retirement of former Chief Medical Officer (CMO) Ernest Ring, M.D., effective June 27, 2008, the UCSF Medical Center appointed Joshua S. Adler, M.D., and Adrienne Green, M.D., as Acting Co-Chief Medical Officers effective July 1, 2008, through June 30, 2009. A separate correction item seeking retroactive formal approval of the acting appointments and compensation is pending Regental approval. Dr. Adler has been affiliated with UCSF since 1990, holding increasingly responsible positions while displaying ongoing exemplary leadership. Upon his appointment as CMO, Dr. Adler will reduce his clinical practice and will assume a non-tenured academic appointment without salary in addition to his non-academic CMO role.

This position is funded from medical center operating revenue, rather than UC general funds provided by the State. The proposed base salary of \$350,000 is below the previous incumbent's base salary of \$409,500 and also is below the current market median of \$410,500. Market data are provided by Mercer Human Resource Consulting and include data from the Health Care Executive Compensation Survey by Clark Consulting for "Integrated Academic Health Care Organizations" with median net revenue of \$1 billion. The proposed base salary is slightly above the minimum of the salary range for the position and is less than the average base salary (\$364,575) for the Chief Medical Officers at the other UC medical centers.

Approval of the following items in connection with the appointment of Joshua S. Adler, M.D., as Chief Medical Officer, Medical Center, San Francisco campus:

- (1) A base salary increase of \$232,700 (198.4 percent), reflecting Dr. Adler's transition from a faculty member to a leadership position in the medical enterprise at UC San Francisco, to increase his current base salary of \$117,300 to slightly above the range minimum at \$350,000 (SLCG Grade 113: Minimum \$333,900, Midpoint \$431,500, Maximum \$529,100).
- (2) Per policy, eligibility to participate in the Clinical Enterprise Management Recognition Program (CEMRP) with a maximum potential payout of up to 25 percent of base salary (\$87,500).
- (3) This appointment is at 100 percent time and effective July 1, 2009.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits, and standard senior management benefits (including senior management life insurance, business travel accident insurance, and salary continuation for disability).
- Per policy, five percent monthly contribution to the Senior Management

- Supplemental Benefit Program.
- Position is funded 100 percent by Medical Center operating revenue. No State general funds are used for this position.

Base salary market data (as provided by Mercer Human Resource Consulting):

<u>25th Percentile</u>	<u>50th Percentile</u> (median)	<u>75th Percentile</u>
\$330,200	\$410,500	\$554,900

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.

D. *Retroactive Approval of Appointments and Compensation for Acting Co-Chief Medical Officers, Medical Center, San Francisco Campus*

Following the retirement of former Chief Medical Officer (CMO) Ernest Ring, M.D., effective June 27, 2008, the UCSF Medical Center launched a comprehensive national search for a qualified successor. It became clear that a prolonged recruitment would be required and acting CMO leadership would be necessary during the search. Dr. Adler and Dr. Green have been sharing responsibilities as Acting Co-Chief Medical Officers since July 1, 2008, and are continuing in this role through June 30, 2009. In recognition of the additional responsibilities, Dr. Adler and Dr. Green have each been receiving an annual administrative stipend of \$30,000. Prior to assuming the Acting Co-CMO positions, both Dr. Adler and Dr. Green had partial appointments as Associate CMOs in addition to teaching and clinical care responsibilities. The long-standing practice at the Medical Center has been for academically appointed medical staff to provide partial support to the CMO and to step in for the CMO, should a vacancy occur; both Dr. Adler and Dr. Green assumed the role as Acting Co-CMOs during the search for a permanent replacement. Due to a misunderstanding of the approval authority, these appointments and stipends were not escalated to the Regents for pre-approval.

Retroactive approval of the following items in connection with the appointments of Joshua S. Adler, M.D., and Adrienne Green, M.D., as Acting Co-Chief Medical Officers, Medical Center, San Francisco campus:

- (1) A stipend of \$30,000 (25.6 percent) for Joshua S. Adler, M.D., in addition to an annualized base salary of \$117,300, annualized Health Sciences Compensation Plan (HSCP) compensation of \$75,807, and additional annualized academic compensation of \$30,000, for a total academic salary of \$253,107. This stipend is recognition for additional duties assumed as Acting Co-Chief Medical Officer due to the retirement of the former incumbent on June 27, 2008. This is an approval correction request as the stipend has already been implemented. Regental

approval is required for the acting appointment of Dr. Adler to this Senior Management Group (SMG) position.

- (2) A stipend of \$30,000 (27.2 percent) for Adrienne Green, M.D., in addition to an annualized base salary of \$110,400 and annualized HSCP compensation of \$119,450, for a total academic salary of \$259,850. This stipend is recognition for additional duties assumed as Acting Co-Chief Medical Officer due to the retirement of the former incumbent on June 27, 2008. This is an approval correction request as the stipend has already been implemented. Regental approval is required for the acting appointment of Dr. Green to this SMG position.
- (3) Retroactive approval for the period covering July 1, 2008, through June 30, 2009.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits.

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.

E. ***Appointment Time Reduction for Arthur C. Gossard as Associate Vice Chancellor – Academic Personnel, Santa Barbara Campus***

After three years of extraordinary service as Associate Vice Chancellor – Academic Personnel, Professor Arthur Gossard requested to reduce his appointment time as Associate Vice Chancellor. Due to the current budget situation, the campus is trying to reduce administrative costs as part of a many-faceted solution. Professor Gossard has agreed to focus only on processing merit and promotion cases, which is 50 percent of the duties normally performed by the Associate Vice Chancellor, Academic Personnel. Other aspects of the job—policy review, faculty housing program oversight, training, and information distribution—will be shifted to the Executive Vice Chancellor and others in the office. In addition, Professor Gossard welcomes the opportunity to devote more time to teaching and research. In recognition of the time to be spent on teaching and research, Professor Gossard will draw 50 percent of his current adjusted faculty rate.

Approval of the following items in connection with the appointment time reduction for Arthur C. Gossard as Associate Vice Chancellor – Academic Personnel, Santa Barbara campus:

- (1) A voluntary appointment time reduction to 50 percent time with commensurate reduction of annual salary to \$127,500, based on current annual base salary of \$255,000 (SLCG Grade 106: Minimum \$154,200, Midpoint \$195,200, Maximum

\$236,000). Professor Gossard will begin to draw 50 percent of his current adjusted faculty rate (\$150,266), for a total annual salary of \$277,766.

(2) Effective July 1, 2009.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits.
- Per policy, accrual of sabbatical credits as a member of tenured faculty.
- Per policy, ineligible to participate in the Senior Management Supplemental Benefit Program due to tenured faculty appointment.

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.

F. ***Interim Re-Slotting and Promotion for Alison Galloway as Vice Provost and Dean – Academic Affairs, Santa Cruz Campus***

The Santa Cruz campus requests approval of a promotion for Alison Galloway from Vice Provost – Academic Affairs to Vice Provost and Dean – Academic Affairs, effective July 1, 2009, due to the permanent assumption of the role and duties of the Dean – University Extension (UNEX) as a part of her current responsibilities. The campus requests a re-slotting of the position from Grade 106 to Grade 107 due to the responsibilities and complexities of the new job, which is supported by an assessment performed by Mercer Human Resource Consulting. In addition, the campus requests that compensation equivalent to Ms. Galloway's current stipend in the amount of \$16,000 be added to her current administrative base salary of \$171,600. This increase in compensation equals Ms. Galloway's current total cash compensation for the temporary assumption of UNEX duties, thus there will be no net increase in her total compensation. In addition, this revised administrative structure will allow for eliminating the stand-alone position of Dean – UNEX which is currently vacant. Based on the current average systemwide salaries of UNEX deans, this translates into an annual savings of approximately \$190,000.

This position is funded 80 percent by UC general funds provided by the State and 20 percent by other non-State funds. The proposed promotional base salary of \$187,600 is below the current market median of \$227,400. Market data are provided by Mercer Human Resource Consulting and include data from the College and University Professional Association (CUPA) Administrative Compensation Survey for the Full Comparison Group cut of UC comparators. The proposed base salary is slightly above the minimum of the salary range for the position and is less than the average base salary (\$244,000) for the Vice Provosts – Academic Affairs at the other UC locations.

Approval of the following items in connection with a promotion for Alison Galloway as Vice Provost and Dean – Academic Affairs, Santa Cruz campus:

- (1) Promotion from Vice Provost – Academic Affairs to Vice Provost and Dean – Academic Affairs due to the permanent addition of job duties as the Dean – University Extension.
- (2) Interim re-slotting of the position as recommended by Mercer Human Resource Consulting from SLCG Grade 106 (Minimum \$154,200, Midpoint \$195,200, Maximum \$236,100) to Grade 107 (Minimum \$172,300, Midpoint \$218,700, Maximum \$265,000).
- (3) Per policy, promotional increase in compensation in the amount of \$16,000 (9.3 percent) to increase her administrative salary of \$171,600, for a total annual salary of \$187,600 due to the assumption of additional duties as Dean.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance, executive business travel insurance and executive salary continuation for disability).
- Per policy, accrual of sabbatical credits as a member of tenured faculty.
- Per policy, ineligible to participate in the Senior Management Supplemental Benefit Program due to tenured faculty appointment.
- Position is funded 80 percent by UC general funds provided by the State and 20 percent by other non-State funds.

Base salary market data (as provided by Mercer Human Resource Consulting):

<u>25th Percentile</u>	<u>50th Percentile</u> (median)	<u>75th Percentile</u>
\$211,000	\$227,400	\$287,300

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.

G. *Salary Correction for Jay D. Keasling as Acting Deputy Laboratory Director, Lawrence Berkeley National Laboratory*

Compensation for Jay D. Keasling as Acting Deputy Laboratory Director, Lawrence Berkeley National Laboratory was approved March 23, 2009. A correction to the composition of salary components for the recently approved compensation for Mr. Keasling is requested. The total compensation amount will remain unchanged. Mr. Keasling is serving as the Acting Deputy Director based on his experience and

reputation at the Laboratory and his demonstrated excellence in pioneering science and management of large-scale, strategic initiatives.

Approval of the following items in connection with the compensation of Jay D. Keasling as Acting Deputy Laboratory Director, Lawrence Berkeley National Laboratory:

- (1) An adjustment to the composition of salary components from a base salary of \$221,400 and an administrative stipend of 60 percent (\$132,840) which includes Mr. Keasling's summer salary of \$73,800, to an annualized base salary of \$295,200 (comprised of \$221,400 academic annual salary and \$73,800 summer salary) and a 20 percent (\$59,040) administrative stipend. The total cash compensation will remain \$354,240.
- (2) The stipend will be in effect for up to 12 months from the date of Mr. Keasling's acting appointment.
- (3) The stipend amount will be recalculated if the base salary is increased, so that the stipend will continue to equal 20 percent of the annualized base salary.
- (4) The adjustment to salary components is effective February 1, 2009.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits.
- Per policy, accrual of sabbatical credits as a member of tenured faculty.

The source of funds for payment of this compensation item is Department of Energy (DOE) funds as provided under the University's contract with the DOE.

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.

H. ***Reemployment of University of California Retired Employee and Compensation for Glenn L. Mara as Acting Associate Vice President – Laboratory Programs, Office of the President***

With the retirement of John Birely as Associate Vice President – Laboratory Programs, there is an immediate and critical need for a subset of Mr. Birely's duties and responsibilities to continue to be performed at a high level in order to fulfill the University's obligations and responsibilities for science and technology at the National Laboratories with the United States Department of Energy (DOE) and National Nuclear Security Administration (NNSA). These responsibilities are vital to the University's continuing science and technology/research program oversight for Lawrence Berkeley National Laboratory (LBNL) as well as appropriate oversight and interface with Los

Alamos National Security, LLC (LANS) and Lawrence Livermore National Security, LLC (LLNS), private sector partners in matters affecting science and technology at Los Alamos National Laboratory (LANL) and Lawrence Livermore National Laboratory (LLNL). It is proposed that Glenn L. Mara be reemployed in a limited appointment for 12 months or less in order to provide continuity and oversight for a number of extremely high-level programs and DOE contractual arrangements. The remainder of Mr. Birely's duties would be assumed by current Laboratory Management Staff and/or evaluated for alternate approaches to perform the job duties.

This position is funded from non-State funds, specifically DOE contract fee earned as UC's partner share at LANL and LLNL, and reimbursed costs for Laboratory Management expenses approved by the DOE Contracting Officer at LBNL.

Approval of the following items in connection with the reemployment of Glenn L. Mara as Acting Associate Vice President – Laboratory Programs, Office of the President:

- (1) Recall from retirement with a fixed appointment at 43 percent time, at an annualized base salary of \$136,826 (SLCG Grade 110: Minimum \$239,700, Midpoint \$307,200, Maximum \$374,500).
- (2) The effective date will be set by the Office of the President, but is to be no earlier than August 1, 2009. The appointment is for a 12-month period. Per policy, any extension beyond the initial 12-month appointment is subject to approval by the Regents.

Additional items of compensation include:

- Mr. Mara plans to sign and accept the Rehired Retiree Waiver Form that will serve to decline participation in the UC Retirement System (UCRS) and allow Mr. Mara to continue receiving his retirement annuity while receiving compensation related to this appointment.
- Per policy, health and welfare benefits based upon a 43 percent limited-time appointment.

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.

I. *Additional Compensation of One Summer Month for Various Employees at Multiple Campuses*

Approval of the following items in connection with the payment of additional compensation for various employees:

- (1) Payment of additional compensation, approximately equivalent to one month of salary, to various employees at multiple campuses, as listed in Attachment 1. These payments are in accordance with Senior Management Group (SMG) Policy 110.L.5.

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

**2009 Summer Salary Approvals
Presented at July 2009 Regents Meeting**

Location	Employee Name	Title	Current Salary	Summer Salary	Total Annual Salary	Time Period of Research	Vacation Forfeited	Funding Source	Comments
UCB	Dennis Levi	Dean-School of Optometry	\$223,000	\$18,583	\$241,583	7/6-8/5/2009	23 days	NIH-National Eye Institute	
UCLA	No-Hee Park	Dean - School of Dentistry	\$361,800	\$16,392	\$378,192	8/1-8/31/2009	21 days	National Institutes of Health	\$16,392 represents the maximum allowable award from the National Institute of Health (NIH). Base salary \$295,300, Health Science Compensation Plan (HSCP) \$66,500.
UCLA	Vijay Dhir	Dean - Henry Samueli School of Engineering and Applied Science	\$270,300	\$22,525	\$292,825	8/1-8/31/2009	21 days	NASA	
UCLA	Michael Schill	Dean - School of Law	\$316,900	\$26,408	\$343,308	7/15-8/16/2009	23 days	Grant Overhead Return Funds	
UCSB	David Marshall	Executive Dean, College of Letters and Science and Dean, Division of Humanities and Fine Arts, College of Letters Science	\$257,900	\$21,491	\$279,391	8/1-8/31/2009	21 days	Unrestricted Gift Funds	
UCSB	Melvin Oliver	Dean, Division of Social Sciences, College of Letters and Science	\$213,900	\$17,825	\$231,725	8/1-8/31/2009	24 days	Unrestricted Gift Funds	
UCSB	Pierre Wiltzius	Susan and Bruce Worster Dean of Science, Division of Mathematical, Life and Physical Sciences, College of Letters and Science	\$255,000	\$21,250	\$276,250	8/1-8/31/2009	18 days	Unrestricted Gift Funds	
UCSC	Stephen Thorsett	Dean, Physical and Biological Sciences	\$213,300		\$215,401	8/3 - 8/21/2009	15 days	NASA/NSF	Stephen have planned and organized a week long workshop at the campus for the month of August and will only be able to take 15 days off for his summer research.
UCSD	Mark Thiemens	Dean, Division of Physical Sciences	\$297,400	\$24,783	\$322,183	8/1-8/31/2009	24 days	NASA grant funds	

Office of the President

TO MEMBERS OF THE COMMITTEE ON COMPENSATION:

INFORMATION ITEM

For Meeting of July 16, 2009

BI-MONTHLY TRANSACTION MONITORING REPORT – JULY 2009

At the September 2008 Regents meeting the Board of Regents approved the *Compensation Approval Authority and Governance for Those Positions Slotted in the Senior Leadership Compensation Group Salary Range Structure and Other Specified Employees*. Included in this item under Section (2) is the requirement for a bi-monthly transaction monitoring report “as a key component of this governance model.” This report will display “all compensation actions, including exceptions under current policy or actions not expressly stated in policy,” for the population described in the item as:

- (a) Non-SMG employees whose positions have been slotted in the Senior Leadership Compensation Group salary Range Structure,
- (b) Non-SMG employees not subject, exclusively, to the provisions of the Academic Personnel Manual, and
- (c) Other Specified employees (OSE), as designated by the Office of the President Human Resources, such as Athletic Directors and Coaches.

Attached is the July 2009 Bi-Monthly Transaction Monitoring Report which includes actions taken locally by the chancellors and the Laboratory Director on behalf of the locations over a two-month period prior to each Regents meeting. To meet the internal deadlines required to collect information and present it to the Regents, the reporting period has been adjusted slightly. Reportable actions will consistently cover a two-month period between the first day of the first month and the last day of the second month being reported. The attached report includes actions taken under the delegation of authority between and inclusive of April 1, 2009 through May 31, 2009.

This report is comprised of individual actions from the Lawrence Berkeley National Laboratory, and the Davis, Irvine, San Diego, and San Francisco campuses. The report is organized by location. For each location there is a report of actions and an addendum of footnotes, as appropriate, with additional information.

Attachment



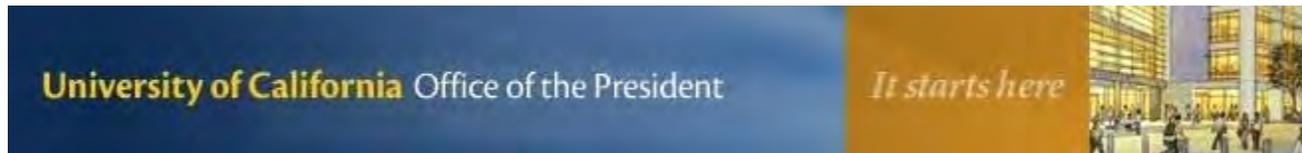
July 2009 Regents' Meeting
Bi-monthly Transaction Monitoring Report
Reporting Period: April 1 - May 31, 2009

APPROVED: ACTING APPOINTMENT SALARY

Location	Employee Name	Title	SLCG Grade	Base Salary	Salary	Incumbent's	Range Min	Range Mid	Range Max	Midpoint
LBNL	Paul Adams	Acting Scientific Division Director	LBNL Grade N16	\$165,708	\$207,135	\$293,796	\$173,796	\$267,258	\$360,720	77.5%
	Previous Status:	Computer Senior Staff Scientist & Deputy Division Director	LBNL Grade 017	\$165,708	\$190,564	n/a	\$104,448	\$177,564	\$250,680	107.3%
	Effective Date:	3/1/2009	Approval Date:	04/16/2009		Approved By: Mark Yudof, President - University of California				
	End Date:	indefinite		Reports To: A. Paul Alivisatos, Interim Laboratory Director						

<u>Item Detail</u>	<u>Previous</u>	<u>Approved</u>	<u>Percent</u>	<u>Exception to Policy</u>
Annual Base Salary	\$165,708	\$165,708	0.0%	No
Appointment Percentage	100%	100%	n/a	No
Stipend*	\$24,856	\$41,427	25.0%	Yes
Standard pension and health and welfare benefits	Yes	Yes	n/a	No

*See Footnote in the Addendum



**July 2009 Regents' Meeting
Addendum to Bi-Monthly Transaction Monitoring Report
Reporting Period: April 1, 2009 – May 31, 2009**

Paul Adams
Acting Scientific Division Director

LBNL

<u>Compensation Element</u>	<u>Amount</u>	<u>Campus Comments</u>
Stipend	\$41,427	Previously received a 15% (\$24,856) stipend for Deputy Division Director responsibilities. On April 16, 2009, President Yudof approved his stipend increase to 25% (\$41,427), which is an exception to policy for Acting Division Director responsibilities. Paul Adams stipend is projected to end on January 31, 2010 but may continue after January 31 st until Jay Keasling returns to his position as Division Director.



July 2009 Regents' Meeting
Bi-monthly Transaction Monitoring Report
Reporting Period: April 1, 2009 - May 31, 2009

APPROVED: Stipend

Location	Employee Name	Title	SLCG Grade	Previous Base Salary	New Total Annual Salary	Former Incumbent's Salary	Salary Range Min	Salary Range Mid	Salary Range Max	% of Midpoint (CR)
UCD	Ann D. Frankel	Controller	unslotted	\$207,600	\$228,360	N/A	\$103,764	\$168,612	\$233,472	135.4%
	Previous Status:	Assistant Director, Financial Services	unslotted	\$207,600						
	Effective Date:	5/1/2009	Approval Date:	4/17/2009	Approved By: Chancellor Vanderhoef					
	End Date:	7/31/2009	Reports To: Chief Financial Officer William McGowan							

<u>Item Detail</u>	<u>Previous</u>	<u>Approved</u>	<u>Percent</u>	<u>Exception to Policy</u>
Annual Base Salary	\$207,600	\$207,600	0.0%	No
Stipend*	\$0	\$20,760	10.0%	No
Finance & Administrative Services Incentive Plan (CEMRP)*	\$24,912	\$41,520	20.0%	No
Total Cash Compensation (TCC)*	\$232,512	\$269,880		
Appointment Percentage	100%	100%	n/a	No
Standard pension and health and welfare benefits	Yes	Yes	n/a	No

*See Footnote in the Addendum



July 2009 Regents' Meeting
Bi-monthly Transaction Monitoring Report
Reporting Period: April 1, 2009 - May 31, 2009

APPROVED: NEW APPOINTMENT SALARY

Location	Employee Name	Title	SLCG Grade	Previous Base Salary	New Total Annual Salary	Former Incumbent's Salary	Salary Range Min	Salary Range Mid	Salary Range Max	% of Midpoint (CR)
UCD	Peggy Arrivas	Controller - Financial Services Administration, UCDHS	Unslotted	\$450,000	\$210,000	\$210,000	\$103,764	\$168,612	\$233,472	124.5%
	Previous Status:	Partner, Price Waterhouse Coopers		\$0						
	Effective Date:	7/1/2009	Approval Date:	4/9/09	Approved By: Chancellor Vanderhoef					
	End Date:	99/99/99	Reports To: Vice Chancellor and Dean Pomeroy							

<u>Item Detail</u>	<u>Previous</u>	<u>Approved</u>	<u>Percent</u>	<u>Exception to Policy</u>
Annual Base Salary*	\$450,000	\$210,000	-46.7%	Yes
Appointment Percentage	100%	100%	n/a	No
Bonuses/Incentives *	unknown	\$42,000	n/a	No
Relocation Allowance*	n/a	\$0	9%	No
Standard pension and health and welfare benefits	Yes	n/a	n/a	No
MOP*	n/a	n/a	n/a	No
Moving Reimbursement*	n/a	n/a	n/a	No
Temporary housing*	n/a	\$0	n/a	No

*See Footnote in the Addendum



July 2009 Regents' Meeting
Addendum to Bi-Monthly Transaction Monitoring Report
Reporting Period: April 1, 2009 – May 31, 2009

Mortgage Origination Program	N/A	N/A
Moving Reimbursement	N/A	N/A
Temporary Housing	N/A	N/A



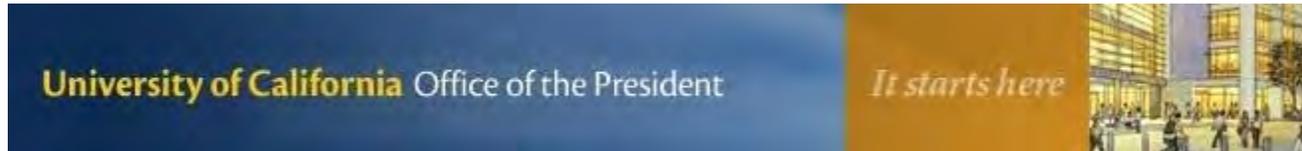
July 2009 Regents' Meeting
Bi-monthly Transaction Monitoring Report
Reporting Period: April 1, 2009 - May 31, 2009

APPROVED: NEW APPOINTMENT SALARY

Location	Employee Name	Title	SLCG Grade	Previous Base Salary	New Total Annual Salary	Former Incumbent's Salary	Salary Range Min	Salary Range Mid	Salary Range Max	% of Midpoint (CR)
UCI	Rebekah G. Gladson	Associate Vice Chancellor-Design and Construction Services/Campus Architect	106	\$200,000	\$216,800	N/A	\$154,200	\$195,200	\$236,100	111.1%
	Previous Status:	Associate Vice Chancellor-Design and Construction Services/Campus Architect								
	Effective Date:	4/1/2009								
	End Date:	Indefinite								
						Approved By: Chancellor Michael V. Drake, M.D.				
						Reports To: Wendell Brase, Vice Chancellor-Administrative and Business Services				

<u>Item Detail</u>	<u>Previous</u>	<u>Approved</u>	<u>Percent</u>	<u>Exception to Policy</u>
Annual Base Salary*	\$200,000	\$216,800	8.4%	No
Appointment Percentage	100%	100%	n/a	n/a
Bonuses/Incentives	n/a	n/a	n/a	n/a
Relocation Allowance	n/a	n/a	n/a	n/a
Standard pension and health and welfare benefits	Yes	Yes	n/a	No
MOP*	n/a	n/a	n/a	n/a
Moving Reimbursement*	n/a	n/a	n/a	n/a
Temporary housing*	n/a	n/a	n/a	No

*See Footnote in the Addendum



**July 2009 Regents' Meeting
Addendum to Bi-Monthly Transaction Monitoring Report
Reporting Period: April 1, 2009 - May 31, 2009**

Rebekah G. Gladson	UCI
Associate Vice Chancellor-Design and Construction Services/Campus Architect	

<u>Compensation Element</u>	<u>Amount</u>	<u>Campus Comments</u>
Base Salary	\$216,800	Retention increase due to recent job offers received by the incumbent and critical need to retain her.



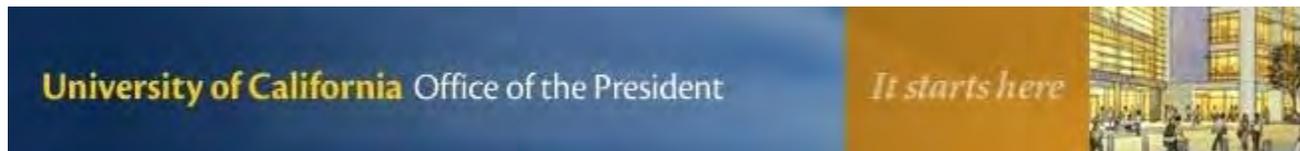
July 2009 Regents' Meeting
Bi-monthly Transaction Monitoring Report
Reporting Period: April 1, 2008 - May 31, 2009

APPROVED: STIPEND

Location	Employee Name	Title	SLCG Grade	Previous Base Salary	New Total Annual Salary	Former Incumbent's Salary	Salary Range Min	Salary Range Mid	Salary Range Max	% of Midpoint (CR)
UCSD	Thomas Hamelin	Director of Perioperative Services and Acting Director of Radiology Clinical Services	NS - MSP C		\$186,000	\$139,270	\$96,000	\$144,000	\$192,000	129.2%
	Previous Status:	Director of Perioperative Services	NS - MSP C	\$186,000						
	Effective Date:	4/1/2009	Approval Date:	4/1/2009	Approved By: Chancellor Marye Anne Fox					
	End Date:	10/1/2009	Reports To: Mona Sonnenshein, Chief Operating Officer							

<u>Item Detail</u>	<u>Previous</u>	<u>Approved</u>	<u>Percent</u>	<u>Exception to Policy</u>
Annual Base Salary	\$186,000	\$186,000	0.0%	No
Appointment Percentage	100%	100%	n/a	No
Leaders' Performance Based Compensation Plan *	\$18,600	\$18,600	10%	No
Stipend *	0	\$18,600	10%	No

*See Footnote in the Addendum



**July 2009 Regents' Meeting
Addendum to Bi-Monthly Transaction Monitoring Report
Reporting Period: April 1, 2009 – May 31, 2009**

Thomas Hamelin Director of Perioperative Services and Acting Director of Radiology Clinical Services	UCSD
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<u>Compensation Element</u>	<u>Amount</u>	<u>Campus Comments</u>
Stipend	\$18,600	The stipend was approved for a duration of six months, or until one month following the appointment of the new Director of Radiology Clinical Services, whichever comes first. A one month overlap is intended to facilitate a leadership transition period.
Leaders' Performance Based Compensation Plan	\$18,600	Pending approval by the Office of the President, Mr. Hamelin is eligible to participate in the 2008-2009 Leaders' Performance Based Compensation Plan with a maximum incentive opportunity of 10% of base salary. The Plan was submitted for review following the Regents' agreement to maintain locally-funded clinical incentive programs that were substantially similar to the Clinical Enterprise Management Recognition Plan.



July 2009 Regents' Meeting
Bi-monthly Transaction Monitoring Report
Reporting Period: April 1, 2009 - May 31, 2009

APPROVED: Stipend

Location	Employee Name	Title	SLCG Grade	Previous Base Salary	New Total Annual Salary	Former Incumbent's Salary	Salary Range Min	Salary Range Mid	Salary Range Max	% of Midpoint (CR)
UCSF	French, Barbara J.	Associate Vice Chancellor-University Relations	108		\$251,900		\$192,300	\$244,900	\$297,400	102.9%
	Previous Status:	Associate Vice Chancellor-University Relations	108	\$251,900			\$192,300	\$244,900	\$297,400	102.9%
	Effective Date:	4/1/2009								
	End Date:	3/31/2010								
		Approval Date:	04/21/2009							
						Approved By:	UCSF Compensation Committee			
						Reports To:	Senior Vice Chancellor-University Advancement and Planning Spaulding			

<u>Item Detail</u>	<u>Previous</u>	<u>Approved</u>	<u>Percent</u>	<u>Exception to Policy</u>
Annual Base Salary	\$251,900	\$251,900	0.0%	No
Stipend*	\$0	\$37,785	15.0%	No
Staff Recognition and Development Plan*	\$25,190	\$0	0.0%	No
Total Cash Compensation (TCC)	\$277,090	\$289,685		
Appointment Percentage	100%	100%	n/a	No
Standard pension and health and welfare benefits	Yes	Yes	n/a	No

*See Footnote in the Addendum



July 2009 Regents' Meeting
Bi-monthly Transaction Monitoring Report
Reporting Period: April 1, 2009 - May 31, 2009

APPROVED: Extension for Acting Appointment

Location	Employee Name	Title	SLCG Grade	Previous Base Salary	New Total Annual Salary	Former Incumbent's Salary	Salary Range Min	Salary Range Mid	Salary Range Max	% of Midpoint (CR)
UCSF	Chen, Michael W.	Chief Financial Officer- Department of Medicine, School of Medicine	105		\$180,586		\$138,200	\$174,300	\$210,400	103.6%
	Previous Status:	Chief Financial Officer- Department of Medicine, School of Medicine	105		\$180,586		\$138,200	\$174,300	\$210,400	103.6%
	Effective Date:	3/1/2009		Approval Date:	04/21/2009	Approved By: UCSF Compensation Committee				
	End Date:	6/30/2009		Reports To: Chief Operating Officer-Department of Medicine Chrisman						

<u>Item Detail</u>	<u>Previous</u>	<u>Approved</u>	<u>Percent</u>	<u>Exception to Policy</u>
Annual Base Salary	\$180,586	\$180,586	0.0%	No
School of Medicine Management Incentive Plan	\$27,088	\$27,088	15.0%	No
Stipend*	\$18,059	\$18,059	10.0%	No
Total Cash Compensation (TCC)	\$225,733	\$225,733		
Appointment Percentage	100%	100%	n/a	No
Standard pension and health and welfare benefits	Yes	Yes	n/a	No

*See Footnote in the Addendum



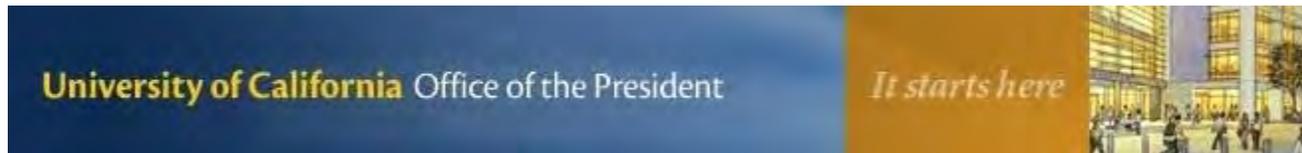
**July 2009 Regents' Meeting
Bi-monthly Transaction Monitoring Report
Reporting Period: April 1, 2009 - May 31, 2009**

APPROVED: Promotion and Salary Adjustment

Location	Employee Name	Title	SLCG Grade	Previous Base Salary	New Total Annual Salary	Former Incumbent's Salary	Salary Range Min	Salary Range Mid	Salary Range Max	% of Midpoint (CR)
UCSF	Blanc, Danielle	Director of Finance and Clinical Operations - Department of Surgery	MSP V		\$165,000		\$104,800	\$138,900	\$172,900	118.8%
	Previous Status:	Interim Administrative Director-Clinical Practices and Director-Clinical Operations, Department of Surgery	MSP IV	\$150,524			\$95,100	\$126,100	\$157,100	119.4%
	Effective Date:	2/1/2009	Approval Date:	05/04/2009						
	End Date:	n/a		Approved By: UCSF Human Resources Compensation Unit Reports To: Chief Finance and Operating Officer-Department of Surgery Panion						

<u>Item Detail</u>	<u>Previous</u>	<u>Approved</u>	<u>Percent</u>	<u>Exception to Policy</u>
Annual Base Salary	\$150,524	\$165,000	9.6%	No
School of Medicine Management Incentive Plan	\$22,579	\$24,750	15.0%	No
Stipend*	\$30,105	\$30,105	18.2%	No
Total Cash Compensation (TCC)	\$203,207	\$219,855		
Appointment Percentage	100%	100%	n/a	No
Standard pension and health and welfare benefits	Yes	Yes	n/a	No

*See Footnote in the Addendum



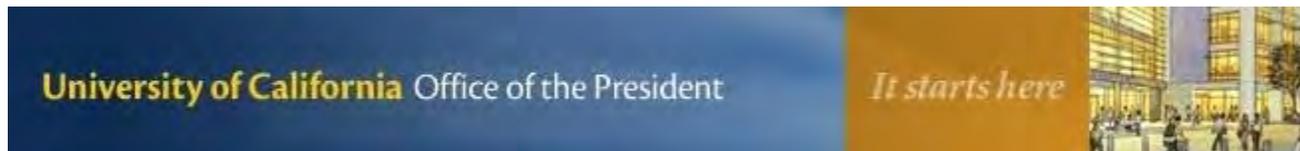
**July 2009 Regents' Meeting
Addendum to Bi-Monthly Transaction Monitoring Report
Reporting Period: April 1, 2009 - May 31, 2009**

Name BARBARA FRENCH UCSF
Working Title Associate Vice Chancellor – University Relations

<u>Compensation Element</u>	<u>Amount</u>	<u>Campus Comments</u>
Stipend	\$37,785	Senior Vice Chancellor-University Advancement and Planning Spaulding has voluntarily reduced his time to 55% under the START (Staff and Academic Reduction in Time) program guidelines effective March 1, 2009. During these challenging economic times, the contributions of the University Advancement and Planning department is ever more critical to the sustained operations and services provided to the community by UCSF. Associate Vice Chancellor-University Relations French has assumed the balance of duties no longer handled by SVC Spaulding due to his reduction in time and a 15% stipend is recommended in recognition of the additional scope of work.
Staff Recognition and Development Program	\$25,190	Per policy, ineligible to participate in the Staff Recognition and Development Program (SRDP). Participation was limited to non-SMG staff with an annual base salary of less than \$100,000, as amended by the Regents effective January 14, 2009. Ms. French was previously eligible to participate in the SRDP.

Name MICHAEL CHEN UCSF
Working Title Chief Financial Officer-Department of Medicine, School of Medicine

<u>Compensation Element</u>	<u>Amount</u>	<u>Campus Comments</u>
Stipend	\$18,059	Continuation of a 10% administrative stipend (\$18,059) for his continued role as the Vice Chair/Chief of the Medical Services at San Francisco General Hospital. At the time of Mr. Chen's appointment the Department of Medicine was confident that his successor would be able to assume the Vice Chair/Chief role no later than March 1, 2009; unfortunately, Dr. Powe was unable to assume the



**July 2009 Regents' Meeting
Addendum to Bi-Monthly Transaction Monitoring Report
Reporting Period: April 1, 2009 - May 31, 2009**

role until April 26, 2009. Due to the change in the timing the UCSF Compensation Committee approved a stipend extension for a period starting March 1, 2009, to end no later than June 30, 2009. Stipend ended effective April 25, 2009.

Name DANIELLE BLANC UCSF
Working Title Director of Finance and Clinical Operations-Department of Surgery, School of Medicine

<u>Compensation Element</u>	<u>Amount</u>	<u>Campus Comments</u>
Total Cash Compensation	\$219,855	Ms. Blanc's total cash compensation exceeds the \$214,000 reportable threshold; however, she is not a part of the defined Senior Leadership Compensation Group (SLCG) as her classification and grade are MSP V. As part of a comprehensive organizational review of the Department of Surgery conducted by the School of Medicine in collaboration with UCSF Human Resources, Ms. Blanc's position was restructured and her classification was increased to MSP V. Ms. Blanc also received a 9.6% base salary increase (\$14,476) in recognition of the additional scope of work. Additionally, a continuation of the administrative stipend (30,105) for her duties as Interim Administrative Director-Clinical Practices was approved for the duration of the position's vacancy.

C4

Office of the President

TO MEMBERS OF THE COMMITTEE ON COMPENSATION:

INFORMATION ITEM

For Meeting of July 16, 2009

REPORT OF ACTIONS TAKEN UNDER THE DELEGATION OF AUTHORITY FOR RECRUITING AND NEGOTIATION PARAMETERS FOR CERTAIN ATHLETIC POSITIONS AND COACHES, SYSTEMWIDE

Attached is the July 2009 report to the Regents in response to the *Amendment of Regents' Delegation of Authority for Recruiting and Negotiation Parameters for Certain Athletic Positions and Coaches*, as approved by the Regents at their September 2008 meeting. This delegation of authority is specific and limited to the following circumstances, terms and conditions:

- (1) Approval of delegations to negotiate compensation contracts for certain athletic positions and all men's and women's athletic coaches, as defined below, to be used in two specific circumstances.
 - a. Pre-emptive or Active Retention – When the Chancellor, or his/her designee, needs to negotiate with an incumbent coach as a result of that coach receiving an expression of serious interest of employment from another entity, an actual offer of employment from another entity, or having achieved such accomplishments that he/she becomes significantly more marketable.
 - b. Replacement – After a coach leaves his/her position either by his/her own choice or by the department's choice, the Chancellor, or his/her designee, must immediately negotiate with candidates to replace the coach who is leaving his/her position.
- (2) Approval of the following parameters for delegation of authority:
 - a. Guaranteed Compensation – Authority to negotiate an increase of up to 30 percent on the annual guaranteed compensation (defined as salary and talent fees). This authority applies the 30-percent limit to the change from the previous year's contract to the first year of the renewed contract or between the previous incumbent's final contract year in the position and the first year of the new contract and assumes equal applicability of that number to each contract year and a 30-percent limit to the overall cumulative total (before and after negotiation) for

guaranteed compensation under the new and old contracts adjusted so that a change in contract duration does not impact the comparison.

- b. Maximum Bonus (exclusive of a signing bonus) – Authority to negotiate an increase of up to 15 percent or \$30,000, whichever is higher, on all incentives or bonuses. This authority applies the 15-percent limit to the change from the previous year’s contract to the first year of the renewed contract or between the previous incumbent’s final contract year in the position and the first year of the new contract. The \$30,000 maximum dollar amount allows for the addition of a bonus where none existed before or the enhancement of a very small bonus opportunity. Subsequent years’ increases will be no more than 5 percent per contract-year.
 - c. Deferred Compensation – Authority to negotiate deferred compensation up to a total of no more than the equivalent of the first year’s guaranteed compensation.
 - d. Camps – Authority to negotiate an increase of up to 30 percent over the percentage of compensation received from camp income. This authority applies the 30-percent limit to the change from the previous year’s contract to the first year of the renewed contract or between the previous incumbent’s final contract year in the position and the first year of the new contract. In the case where the contract does not state a maximum, the comparison is from the actual income attributed to the position during the preceding year. Subsequent years’ increases will be no more than 5 percent per contract-year.
 - e. Benefits – Authority to offer the same systemwide benefits, including vacation, sick leave, disability, and standard University of California pension, health and welfare benefits under the programs and policies pertaining to all employees of the University.
 - f. Signing Bonus – Authority to offer a one-time signing bonus of no more than 33 percent of the first year’s guaranteed compensation.
 - g. Other – Authority to negotiate providing courtesy vehicles (supplied by donors/contributors), including payments in lieu of a car to a maximum of \$5,400 or the imputed value of the car, whichever is higher, per contract-year, moving expenses up to 100 percent, 30 non-consecutive days of housing at the time of the move, and non-cash compensation such as club memberships and other perquisites, consistent with standard practices.
- (3) Approval of delegation of authority under the defined parameters, above, for all men’s and/or women’s coaches and assistant coaches whose new potential total cash compensation exceeds the Indexed Compensation Level, currently set at \$205,000 per annum.

- (4) It is proposed that this specific set of delegations will be reviewed by the Regents annually. A full reporting of all coaches whose total cash compensation exceeds the Indexed Compensation Level will be provided to the Regents in the Annual Report on Executive Compensation. In addition, any actions taken under this delegation by chancellors will be reported publicly at the next Regents meeting in the same manner as interim actions. The Office of the President will be responsible for providing corresponding updated market and comparability data to the Regents as part of the annual reporting process.

Any proposals exceeding the levels or parameters noted above would continue to require submission to and advance approval by the Regents. In addition, if the new contract includes exceptions to policy, except as noted above, advance approval by the Regents will be required.

Termination and liability clauses limiting the University's obligations will be used in all contracts. In all cases, if the final contract has not been signed by all parties prior to the commencement of the individual's first day of active employment, the campus will work with the Office of General Counsel to ensure that appropriate language is used in conjunction with the memorandum of agreement (initial term sheet) that must then be signed by all parties before the individual can begin active employment. Each final contract will require the review and sign-off by the Office of General Counsel.

If the funding of a coach's contract comes from sources other than athletic department revenues (including athletic equipment supplier agreements) or private fundraising, this will require Regental review and approval.

(Attachments)

REPORTS TO THE REGENTS
July 2009

PER REGENTAL ACTION: C6 - SEPTEMBER 16, 2008 REGENTS' MEETING: APPROVAL OF AMEMDMENT OF REGENTS' DELEGATION OF AUTHORITY FOR RECRUITING AND NEGOTIATION PARAMETERS FOR CERTAIN ATHLETIC POSITIONS AND COACHES, SYSTEMWIDE REQUIRING A REPORT TO THE REGENTS AT EACH MEETING IN THE SAME MANNER AS INTERIM ITEMS

CONTRACT COMPENSATION FOR CHUCK BULLOUGH AS DEFENSIVE COACH -- FOOTBALL, LOS ANGELES CAMPUS

Terms and Conditions of the Contract	Duration		Guaranteed Compensation			Maximum Bonus			Deferred Compensation			Camps ¹⁾			Benefits			Signing Bonus/Other				
	Before	After	Before	After	Percent Change	Before	After	Percent Change	Before	After	Percent Change	Before	After	Percent Change	Before	After	Change	Before	After	Percent Change		
Location/Name/Title/Effective dates of the contract			Authority to negotiate an increase of up to 30 percent on the annual guaranteed compensation (defined as salary and talent fees). This authority applies the 30 percent limit to the change from the previous year's contract to the first year of the renewed contract or between the previous incumbent's final contract year in the position and the first year of the new contract and assumes equal applicability of that number to each contract year and a 30 percent limit to the overall cumulative total (before and after negotiation) for Guaranteed Compensation under the new and old contracts adjusted so that a change in contract duration does not impact the comparison.			Authority to negotiate an increase of up to 15 percent or \$30,000, whichever is higher, on all incentives or bonuses. This authority applies the 15 percent limit to the change from the previous year's contract to the first year of the renewed contract or between the previous incumbent's final contract year in the position and the first year of the new contract. The \$30,000 maximum dollar amount allows for the addition of a bonus where none existed before or the enhancement of a very small bonus opportunity. Subsequent year's increases will be no more than 5 percent per contract year.			Authority to negotiate deferred compensation up to a total of no more than the equivalent of the first year's guaranteed compensation.			Authority to negotiate an increase of up to 30 percent over the percent of compensation received from camp income. This authority applies the 30 percent limit to the change from the previous year's contract to the first year of the renewed contract or between the previous incumbent's final contract year in the position and the first year of the new contract. In the case where the contract does not state a maximum, then the comparison is from the actual income attributed to the position during the preceding year. Subsequent year's increases will be no more than 5 percent per contract year.			Authority to offer the same system-wide benefits, including vacation, sick leave, disability, and standard University of California pension, health and welfare benefits under the programs and policies pertaining to all employees of the University.			<p><u>Signing Bonus:</u> Authority to offer a one time signing bonus of no more than 33 percent of the first year's guaranteed compensation.</p> <p><u>Other:</u> Authority to negotiate providing courtesy vehicles (supplied by donors/contributors), including payments in lieu of a car to a maximum of \$5,400 or the imputed value of the car, whichever is higher, per contract-year; reimbursement of up to 100% of actual and reasonable moving expenses; reimbursement of actual and reasonable costs for up to 30 non-consecutive days of housing at the time of the move; and non-cash compensation such as club memberships and other perquisites, consistent with standard practices.</p>				
Los Angeles Campus	Before	After	Before	After	Percent Change	Before	After	Percent Change	Before	After	Percent Change	Before	After	Percent Change	Before	After	Change	Before	After	Percent Change		
Chuck Bullough, Defensive Coach, Men's Football	2/1/09-6/30/11	2/1/09-6/30/11	Total Guaranteed Compensation	\$310,000	\$325,000	4.84%	\$20,000	\$20,000	No Change				\$10,000	\$10,000	No Change	yes	yes	No Change	Courtesy Vehicle	yes	yes	No Change
			Itemized Total Guaranteed Compensation																			
			Base Salary	\$250,000	\$265,000	6.00%																
			Talent Fee	\$60,000	\$60,000	0.00%																

NOTES: ¹⁾ Camp income at Athletic Director's discretion.

REPORTS TO THE REGENTS
July 2009

PER REGENTAL ACTION: C6 - SEPTEMBER 16, 2008 REGENTS' MEETING: APPROVAL OF AMEMDMENT OF REGENTS' DELEGATION OF AUTHORITY FOR RECRUITING AND NEGOTIATION PARAMETERS FOR CERTAIN ATHLETIC POSITIONS AND COACHES, SYSTEMWIDE REQUIRING A REPORT TO THE REGENTS AT EACH MEETING IN THE SAME MANNER AS INTERIM ITEMS

CONTRACT COMPENSATION FOR DANIEL GUERRERO, DIRECTOR OF INTERCOLLEGIATE ATHLETICS, LOS ANGELES CAMPUS

Terms and Conditions of the Contract	Duration		Guaranteed Compensation			Maximum Bonus			Deferred Compensation			Camps			Benefits			Signing Bonus/Other			
	Before	After	Before	After*	Percent Change	Before	After	Percent Change	Before	After	Percent Change	Before	After	Percent Change	Before	After	Change	Before	After	Percent Change	
Location/Name/Title/Effective dates of the contract			Authority to negotiate an increase of up to 30 percent on the annual guaranteed compensation (defined as salary and talent fees). This authority applies the 30 percent limit to the change from the previous year's contract to the first year of the renewed contract or between the previous incumbent's final contract year in the position and the first year of the new contract and assumes equal applicability of that number to each contract year and a 30 percent limit to the overall cumulative total (before and after negotiation) for Guaranteed Compensation under the new and old contracts adjusted so that a change in contract duration does not impact the comparison.			Authority to negotiate an increase of up to 15 percent or \$30,000, whichever is higher, on all incentives or bonuses. This authority applies the 15 percent limit to the change from the previous year's contract to the first year of the renewed contract or between the previous incumbent's final contract year in the position and the first year of the new contract. The \$30,000 maximum dollar amount allows for the addition of a bonus where none existed before or the enhancement of a very small bonus opportunity. Subsequent year's increases will be no more than 5 percent per contract-year.			Authority to negotiate deferred compensation up to a total of no more than the equivalent of the first year's guaranteed compensation.			Authority to negotiate an increase of up to 30 percent over the percent of compensation received from camp income. This authority applies the 30 percent limit to the change from the previous year's contract to the first year of the renewed contract or between the previous incumbent's final contract year in the position and the first year of the new contract. In the case where the contract does not state a maximum, then the comparison is from the actual income attributed to the position during the preceding year. Subsequent year's increases will be no more than 5 percent per contract-year.			Authority to offer the same system-wide benefits, including vacation, sick leave, disability, and standard University of California pension, health and welfare benefits under the programs and policies pertaining to all employees of the University.			<p>Signing Bonus: Authority to offer a one time signing bonus of no more than 33 percent of the first year's guaranteed compensation.</p> <p>Other: Authority to negotiate providing courtesy vehicles (supplied by donors/contributors), including payments in lieu of a car to a maximum of \$5,400 or the imputed value of the car, whichever is higher, per contract-year; reimbursement of up to 100% of actual and reasonable moving expenses; reimbursement of actual and reasonable costs for up to 30 non-consecutive days of housing at the time of the move; and non-cash compensation such as club memberships and other perquisites, consistent with standard practices.</p>			
Los Angeles Campus	Before	After	Before	After*	Percent Change	Before	After	Percent Change	Before	After	Percent Change	Before	After	Percent Change	Before	After	Change	Before	After	Percent Change	
Daniel Guerrero, Director of Intercollegiate Athletics	4/1/2008 - 3/31/2013	4/1/2009 - 3/31/2013	Total Guaranteed Compensation	\$ 465,000	\$ 488,250	0.05	\$ 75,000	\$ 75,000				0	0	n/a	yes	yes	n/a	car	yes	yes	n/a
			Itemized Total Guaranteed Compensation																		
			Base Salary	\$465,000	\$488,250																
			Talent Fee	\$0	\$0																

*Represents 5 percent annual increase effective 4/1/09 per original contract; Regents Item approved May 2008.

REPORTS TO THE REGENTS
July 2009

PER REGENTAL ACTION: C6 - SEPTEMBER 16, 2008 REGENTS' MEETING: APPROVAL OF AMENDMENT OF REGENTS' DELEGATION OF AUTHORITY FOR RECRUITING AND NEGOTIATION PARAMETERS FOR CERTAIN ATHLETIC POSITIONS AND COACHES, SYSTEMWIDE REQUIRING A REPORT TO THE REGENTS AT EACH MEETING IN THE SAME MANNER AS INTERIM ITEMS

CONTRACT AMENDMENT FOR ROBERT PALCIC AS ASSISTANT COACH -- FOOTBALL, LOS ANGELES CAMPUS

Terms and Conditions of the Contract	Duration		Guaranteed Compensation			Maximum Bonus			Deferred Compensation			Camps ²⁾			Benefits			Signing Bonus/Other				
	Before	After	Before	After	Percent Change	Before	After	Percent Change	Before	After	Percent Change	Before	After	Percent Change	Before	After	Change	Before	After	Percent Change		
Location/Name/Title/Effective dates of the contract			Authority to negotiate an increase of up to 30 percent on the annual guaranteed compensation (defined as salary and talent fees). This authority applies the 30 percent limit to the change from the previous year's contract to the first year of the renewed contract or between the previous incumbent's final contract year in the position and the first year of the new contract and assumes equal applicability of that number to each contract year and a 30 percent limit to the overall cumulative total (before and after negotiation) for Guaranteed Compensation under the new and old contracts adjusted so that a change in contract duration does not impact the comparison.			Authority to negotiate an increase of up to 15 percent or \$30,000, whichever is higher, on all incentives or bonuses. This authority applies the 15 percent limit to the change from the previous year's contract to the first year of the renewed contract or between the previous incumbent's final contract year in the position and the first year of the new contract. The \$30,000 maximum dollar amount allows for the addition of a bonus where none existed before or the enhancement of a very small bonus opportunity. Subsequent year's increases will be no more than 5 percent per contract-year.			Authority to negotiate deferred compensation up to a total of no more than the equivalent of the first year's guaranteed compensation.			Authority to negotiate an increase of up to 30 percent over the percent of compensation received from camp income. This authority applies the 30 percent limit to the change from the previous year's contract to the first year of the renewed contract or between the previous incumbent's final contract year in the position and the first year of the new contract. In the case where the contract does not state a maximum, then the comparison is from the actual income attributed to the position during the preceding year. Subsequent year's increases will be no more than 5 percent per contract-year.			Authority to offer the same system-wide benefits, including vacation, sick leave, disability, and standard University of California pension, health and welfare benefits under the programs and policies pertaining to all employees of the University.			<p><u>Signing Bonus:</u> Authority to offer a one time signing bonus of no more than 33 percent of the first year's guaranteed compensation.</p> <p><u>Other:</u> Authority to negotiate providing courtesy vehicles (supplied by donors/contributors), including payments in lieu of a car to a maximum of \$5,400 or the imputed value of the car, whichever is higher, per contract-year; reimbursement of up to 100% of actual and reasonable moving expenses; reimbursement of actual and reasonable costs for up to 30 non-consecutive days of housing at the time of the move; and non-cash compensation such as club memberships and other perquisites, consistent with standard practices.</p>				
Los Angeles Campus	Before	After																				
Robert Palcic, Assistant Coach, Men's Football	1/9/2008-6/30/09	1/9/2008-6/30/11	Total Guaranteed Compensation ¹⁾	\$210,000	\$210,000	0.00%	\$20,000	\$20,000	No Change				\$10,000	\$10,000	No Change	yes	yes	No Change	Courtesy Vehicle	yes	yes	No Change
			Itemized Total Guaranteed Compensation																			
			Base Salary	\$210,000	\$210,000	0.00%																
			Talent Fee	\$0	\$0	0.00%																

NOTES: ¹⁾ Comparison of previous year's contract to first year of renewed contract

²⁾ Camp income at Athletic Director's discretion.

Jan-08	128	
Feb-08	168	
Mar-08	168	
Apr-08	176	
May-08	176	
Jun-08	168	
Jul-08	2088	
Aug-08	0	
Sep-08	0	
Oct-08	0	
Nov-08	0	
Dec-08	0	
Jan-09	0	
Feb-09	0	
Mar-09	0	
Apr-09	0	
May-09	0	
Jun-09	0	
Jul-09	2088	2088
Aug-09		
Sep-09		
Oct-09		
Nov-09		
Dec-09		
Jan-10		
Feb-10		
Mar-10		
Apr-10		
May-10		
Jun-10		
Wkg hours:	5160	2088

REPORTS TO THE REGENTS
July 2009

PER REGENTAL ACTION: C6 - SEPTEMBER 16, 2008 REGENTS' MEETING: APPROVAL OF AMENDMENT OF REGENTS' DELEGATION OF AUTHORITY FOR RECRUITING AND NEGOTIATION PARAMETERS FOR CERTAIN ATHLETIC POSITIONS AND COACHES, SYSTEMWIDE REQUIRING A REPORT TO THE REGENTS AT EACH MEETING IN THE SAME MANNER AS INTERIM ITEMS

CONTRACT COMPENSATION FOR JOHN MARGARITIS, HEAD COACH OF WOMEN'S BASKETBALL, RIVERSIDE CAMPUS

Terms and Conditions of the Contract	Duration		Guaranteed Compensation			Maximum Bonus			Deferred Compensation			Camps ²⁾			Benefits			Signing Bonus/Other				
	Before	After	Before	After	Percent Change	Before	After	Percent Change	Before	After	Percent Change	Before	After	Percent Change	Before	After	Change	Before	After	Percent Change		
Location/Name/Title/Effective dates of the contract			Authority to negotiate an increase of up to 30 percent on the annual guaranteed compensation (defined as salary and talent fees). This authority applies the 30 percent limit to the change from the previous year's contract to the first year of the renewed contract or between the previous incumbent's final contract year in the position and the first year of the new contract and assumes equal applicability of that number to each contract year and a 30 percent limit to the overall cumulative total (before and after negotiation) for Guaranteed Compensation under the new and old contracts adjusted so that a change in contract duration does not impact the comparison.			Authority to negotiate an increase of up to 15 percent or \$30,000, whichever is higher, on all incentives or bonuses. This authority applies the 15 percent limit to the change from the previous year's contract to the first year of the renewed contract or between the previous incumbent's final contract year in the position and the first year of the new contract. The \$30,000 maximum dollar amount allows for the addition of a bonus where none existed before or the enhancement of a very small bonus opportunity. Subsequent year's increases will be no more than 5 percent per contract-year.			Authority to negotiate deferred compensation up to a total of no more than the equivalent of the first year's guaranteed compensation.			Authority to negotiate an increase of up to 30 percent over the percent of compensation received from camp income. This authority applies the 30 percent limit to the change from the previous year's contract to the first year of the renewed contract or between the previous incumbent's final contract year in the position and the first year of the new contract. In the case where the contract does not state a maximum, then the comparison is from the actual income attributed to the position during the preceding year. Subsequent year's increases will be no more than 5 percent per contract-year.			Authority to offer the same system-wide benefits, including vacation, sick leave, disability, and standard University of California pension, health and welfare benefits under the programs and policies pertaining to all employees of the University.			<p><u>Signing Bonus:</u> Authority to offer a one time signing bonus of no more than 33 percent of the first year's guaranteed compensation.</p> <p><u>Other:</u> Authority to negotiate providing courtesy vehicles (supplied by donors/contributors), including payments in lieu of a car to a maximum of \$5,400 or the imputed value of the car, whichever is higher, per contract-year; reimbursement of up to 100% of actual and reasonable moving expenses; reimbursement of actual and reasonable costs for up to 30 non-consecutive days of housing at the time of the move; and non-cash compensation such as club memberships and other perquisites, consistent with standard practices.</p>				
Riverside Campus	Before	After									Percent Change											
John Margaritis, Head Coach of Women's Basketball	7/1/08-6/30/10	7/1/09-6/30/12	Total Guaranteed Compensation ¹⁾	\$135,000	\$165,000	22.22%	\$40,000	\$70,000	75.00%	\$0	\$0	0%	\$0	\$0	0%	Per policy	Per Policy	No Change	Courtesy Vehicle	\$0	\$0	0%
			Itemized Total Guaranteed Compensation																			
			Base Salary	\$135,000	\$165,000	22.22%																
			Talent Fee	\$0	\$0	--																

NOTES: ¹⁾ Contract provides opportunity to earn performance-based compensation up to \$70,000 per annum. Coach is eligible to receive performance bonuses for each contract year in which such accomplishments are achieved.

²⁾ Base building increases as follows: 22 percent (Year 1); 10.6 percent (Year 2); and 10.6 percent (Year 3)

Jan-08	128	
Feb-08	168	
Mar-08	168	
Apr-08	176	
May-08	176	
Jun-08	168	
Jul-08	2088	
Aug-08	0	
Sep-08	0	
Oct-08	0	
Nov-08	0	
Dec-08	0	
Jan-09	0	
Feb-09	0	
Mar-09	0	
Apr-09	0	
May-09	0	
Jun-09	0	
Jul-09	2088	2088
Aug-09		
Sep-09		
Oct-09		
Nov-09		
Dec-09		
Jan-10		
Feb-10		
Mar-10		
Apr-10		
May-10		
Jun-10		
Wkg hours:	5160	2088

UNIVERSITY OF CALIFORNIA

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1111 Franklin Street
 Oakland, California 94607-5200
 Phone: (510) 987-9074
 Fax: (510) 987-9086
<http://www.ucop.edu>

February 23, 2009

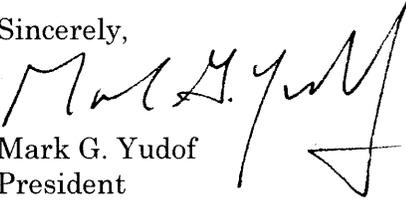
The Honorable Denise Moreno Ducheny
 Chair, Joint Legislative Budget Committee
 State Capitol, Room 5035
 Sacramento, California 95814

Dear Senator Ducheny:

Pursuant to Item 6440-001-0001, Provision 13, of the 2008 Budget Act, enclosed is the University of California's annual *Report on Compensation Policies and Practices*.

If you have any questions regarding this report, Associate Vice President Obley will be pleased to speak with you. She can be reached by telephone at (510) 987-9112, or by email at Debora.Obley@ucop.edu.

Sincerely,


 Mark G. Yudof
 President

Enclosure

cc: The Honorable Gloria Romero, Chair
 Senate Budget and Fiscal Review Subcommittee #1
 (Attn: Ms. Amy Supinger)
 (Attn: Ms. Cheryl Black)
 The Honorable, Wilmer Amina Carter, Chair
 Assembly Budget Subcommittee #2
 (Attn: Sara Bachez)
 (Attn: Amy Rutschow)
 Mr. Mac Taylor, Legislative Analysts
 Mr. Mike Genest, Director of Finance
 Mr. Dotson Wilson, Chief Clerk of the Assembly
 Mr. Gregory Schmidt, Secretary of the Senate
 Ms. Diane Boyer-Vine, Legislative Counsel
 Ms. Sara Swan, Department of Finance
 Mr. Steve Boilard, Legislative Analyst's Office
 Joint Legislative Budget Committee (18)
 Interim Provost and Executive Vice President Lawrence Pitts
 Executive Vice President Katherine N. Lapp
 Interim Senior Vice President Daniel Dooley
 Vice President Patrick Lenz
 Acting Associate Vice President John Cammidge
 Associate Vice President and Director Steve Juarez
 Associate Vice President Debora Obley

UNIVERSITY OF CALIFORNIA
Report on Compensation Policies and Practices
February 2009
2008-09 Legislative Session

UNIVERSITY OF CALIFORNIA
Report on Compensation Policies and Practices
February 2009

The University of California submits this 2009 legislative report in response to Item 6440-001-0001, Provision 13, of the Budget Act of 2008, which states:

“13. It is the intent of the Legislature that the University of California submit an annual report by March 1 of each year through the 2010-11 fiscal year to the Joint Legislative Budget Committee, legislative fiscal subcommittees, and the Department of Finance on the university's progress in reforming its compensation policies and practices, reflecting the criteria specified in Provision 27 of Item 6440-001-0001 of Section 2.00 of the Budget Act of 2006 (Chs. 47 and 48, Stats. 2006).”

The criteria for this report are in Item 6440-001-0001, Provision 27, of the 2006 Budget Act, which states in part:

“27. ...It is the intent of the Legislature that the University of California submit an annual report on March 1 of each year through the 2010-11 fiscal year to the Joint Legislative Budget Committee, legislative fiscal subcommittees, and the Department of Finance on the university's progress in reforming its compensation policies and practices consistent with the recommendations of the April 2006 report of the Task Force on UC Compensation, Accountability, and Transparency, the Price Waterhouse-Coopers report, and the Bureau of State Audits' May 2, 2006 report.... It is the intent of the Legislature that the report specifically include all of the following:

- (a) Consistent with the task force's recommendations on reporting, annual reports provided to the Board of Regents on total compensation for specified university senior officials...*
- (b) Plans and actions taken by the University of California to reform compensation policies and practices...*
- (c) Plans and actions taken by the University of California to update its human resources information system...”*

EXECUTIVE SUMMARY

The University continues to make significant progress towards satisfying the recommendations of the Task Force on UC Compensation, Accountability and Transparency and related audits. In response to the state budget challenge, the Board of Regents approved President Yudof's proposal to freeze the salaries of 285 top administrators and implement significant restrictions to compensation for an expanded group of senior leadership.

The compensation approval authority and governance for all Senior Management and specified non-Senior Management Group employees was approved by The Regents in September 2008. The first Bi-Monthly Transaction Monitoring Report was presented to The Regents in November 2008.

In 2008 and early 2009, the Board of Regents also approved a series of new and revised senior management compensation policies. Additional policies will be presented to the Regents at future meetings in 2009. Following Regental action and approval, it is intended that a comprehensive communication and training effort will be undertaken during 2009 to ensure that the new and revised policies, as well as the related monitoring and reporting processes, are implemented across the University.

As new compensation related policies are adopted by the University, Internal Audit will continue to work with responsible management in Human Resources and Benefits to identify opportunities for auditing the new policies for compliance with reporting requirements and other elements.

UC continues to make progress in the area of information technology and its employee database. To improve the quality of and access to employee data, the Enterprise Data Warehouse has been fully designed and implemented, and its expansion is proposed as part of the overall HRIS strategy. The University has made substantial upgrades over the past year to its infrastructure in order to support more advanced technologies, and a web-based interface pilot project to facilitate updates to the employee payroll database is scheduled to be implemented in the summer of 2009. Additionally, the Senior Leadership Information System was enhanced in 2008 to provide monitoring and compliance reports to The Regents of compensation actions for senior leadership approved by the President or the Chancellors.

Collectively, these developments and reforms demonstrate the University's strengthened commitment to public accountability and to correcting the administrative deficiencies identified by the recommendations of the April 2006 report of the Task Force on UC Compensation, Accountability, and Transparency; the Price Waterhouse-Coopers report; and the Bureau of State Audits' May 2, 2006 report.

This is the University's third annual legislative report on these matters. Since the publication and distribution of the first report in March 2007, the University has continued to follow the new practices and reforms established and presented in that report. These include:

- Use of a standardized definition of "total compensation" to make explicitly clear all appropriate elements of compensation and which elements require Regental approval.
- Compliance with the presidential policy for public disclosure of compensation information.
- Continuation of the practice of the Regents' Committee on Compensation voting on all compensation recommendations in open session.
- Establishment of a rigorous process of collecting, validating and certifying individuals' total compensation information reported on the Annual Report on Executive Compensation.
- Collection of information from individuals for preparation of the Annual Report on Compensated Outside Professional Activities for calendar year 2008. This information is reported to The Regents at their March meeting and certified as complete and accurate by each individual required to report such activities to The Regents.
- Use of the standard template for reporting of total compensation for senior leaders.
- Public posting of all compensation actions approved by The Regents.
- Provision of the third annual report of salaries of all UC employees in July, 2008.
- Compliance with new procedures regarding press releases to disclose compensation information, including a clear statement of all approved elements of compensation.
- Use of the University's compensation website, which includes compensation actions approved by The Regents and other matters related to compensation, easily accessible to the public.

Significant steps were taken this past year by the University towards reforming its compensation policies and practices in order to address the recommendations from the Task Force report and audits, and for compliance with the requirements under the Budget Act of 2006. Reforms are presented in the following categories in this report:

- **Annual Reporting of Total Compensation for Named Positions** (consistent with Provision 27(a) of the 2006 Budget Act)
- **Reform of Compensation Policies and Practices** (consistent with Provision 27(b) of the 2006 Budget Act)
- **Human Resources Information System** (consistent with Provision 27(c) of the 2006 Budget Act)
- **Other Reforms and Actions**

The reforms and actions described below demonstrate the University's ongoing and steadfast commitment as a public institution to make improvements in its compensation policies and practices that will ensure appropriate disclosure and transparency, proper governance and accountability, and compliance. The following is an inventory of actions taken over the last year or currently underway to reform practices and/or policies related to senior leadership compensation.

ANNUAL REPORTING OF TOTAL COMPENSATION FOR NAMED POSITIONS

Consistent with the Task Force's recommendation on reporting, the University has continued to use the new expanded format for the Annual Report on Executive Compensation, with the next report being presented at the Board of Regents at their meeting scheduled for March 17-19, 2009. The University will forward the portion of this report, as described in the Budget Act language, to the Legislature following review by The Regents at the March meeting.

The population represented in this report includes University senior leaders who were specified in the Budget Act language, including the President, Provost, Executive Vice Presidents, Vice Presidents, Associate/Assistant Vice Presidents, the University Auditor, Principal Officers of The Regents, Chancellors, Vice Chancellors, Deans, National Laboratory Director/Deputy Director, and Medical Center Chief Executive Officers, as well as many others in top management positions whose total potential cash compensation exceeds \$214,000. This report includes compensation details on approximately 545 incumbents and former incumbents in these positions including those in acting capacities.

Information on each employee includes the following:

1. Cash compensation, which includes annualized base salary, annualized stipends, actual payments received under incentive or bonus programs, total actual Health Sciences Compensation Plan (HSCP) payments, and other cash compensation or cash payments which include payments while on sabbatical leave.
2. One-time payments and reimbursements made to the employee or on behalf of the employee to a third party vendor, including relocation allowance, temporary housing reimbursements or allowances, or moving expense reimbursements.
3. Benefits and perquisites, including automobile allowances (annualized rate reported), leased automobiles, senior management benefits (including any life insurance, business travel insurance, and salary continuation for disability), University provided housing, severance benefits, senior management supplemental benefit program contributions, additional post-retirement benefits (including medical coverage, enhanced retirement income benefits, enhanced vesting schedules, etc.), and home mortgage loans provided under University programs (the original loan amount is shown).

REFORM OF COMPENSATION POLICIES AND PRACTICES

The University of California has made progress in reviewing and revising its compensation policies and practices. Through discussion with The Regents, the University has established a governance model to clarify roles, responsibilities and processes related to the revision and approval of senior management compensation policies and to clarify the respective authority and accountability of The Regents, the President and the Chancellors in approving individual compensation actions (more information on this governance model is provided on page 6).

This governance model has been incorporated into a series of new and revised policies approved by The Regents between July 2008 and February 2009, including:

Senior Management Group (SMG) Performance Management Review Process – In addition to assessing achievement toward established goals and objectives, individuals will also be assessed relative to standards and competencies defined in the revised policy.

SMG Salary and Appointment – The new policy provides clear, comprehensive direction for salary setting and defines responsibility and accountability for SMG salary and appointment-related actions.

Reemployment of UC Retired Employees – Under the new policy, reemployment is restricted to no more than 43% time during a continuous 12 month period, and no more than a total of 12 months, subject to extension following the appropriate approval process.

Settlement of Litigation, Claims and Separation Agreements – The amended policy defines the authority of the President to approve certain settlements of claims and separation agreements and the authority of the General Counsel to approve settlements of litigation and claims in order to streamline the Board of Regents' practices and procedures.

SMG Hiring Bonus – The new policy eliminates the practice of using other benefits or compensation in lieu of a hiring bonus, thereby increasing transparency. It defines specific eligibility criteria and limits the maximum amount of a hiring bonus to 20% of the proposed starting base salary.

University-Provided Housing – The revised policy clarifies approval authority for renovation and remodeling of executive officers' residences and clarifies reimbursement provisions for both moving in and moving out of University-provided housing.

SMG Automobile Allowance – The revised policy eliminates the leased automobile program and requires reporting to the President and The Regents of any payments made under the policy.

SMG Moving Reimbursement – The revised policy defines eligibility criteria, increases reimbursable costs for storage from 30 days to 60 days, and requires documented repayment provisions in the event the employee separates prior to completing one year of service.

SMG Relocation Allowance – The revised policy removes a geographical restriction and provides for relocation allowance for moves within California, establishes a combined limit with the new hiring bonus policy, and requires documented repayment provisions in the event the employee separates prior to completing the agreed upon period of service (at least two years).

The continuing goal of this work is to develop policies that are clear, consistent, transparent, easily understood, and provide guidance on when and how exceptions may occur. This process is also addressing conflicts between policies for senior managers and policies for academics, including bringing clarity to those policies for senior managers who also hold academic appointments. The policies have been developed within a new template, which is intended to present policy parameters, approval authorities and compliance and monitoring requirements in a clear and consistent format. The revised policies strengthen internal controls and facilitate greater transparency, compliance and reporting.

During 2009, it is intended that a comprehensive communication and training effort will be undertaken to ensure that the new and revised policies, as well as the expanded monitoring and reporting processes, are implemented across the University. UC is also continuing efforts to complete the review of all remaining compensation policies. It is anticipated that additional SMG policies, including policies on absence from work, transitional leave, and outside professional activities, will be presented to The Regents for discussion and action at future meetings in 2009.

Audits/Compliance Monitoring

During 2008, the University's Internal Auditors conducted the following compensation related audits:

- The Annual Report on Executive Compensation presented to The Regents was reviewed for completeness and accuracy at each location before being certified and submitted by local officials to the Office of the President;
- The Annual Report of Fiscal Year Expenses of the President/Chancellor was reviewed at each location for compliance with policy and consideration of compensable elements;
- The Annual Report of Taxable Expenses of the President/Chancellor was reviewed at each location for compliance with policy and appropriate tax reporting treatment of taxable amounts;
- The procedures for review of travel and entertainment expenses incurred by the President/Chancellor were reviewed at each location for compliance with policy.

In addition, as new compensation related policies are adopted by the University, Internal Audit works with responsible Human Resources management to identify opportunities for auditing the new policies for compliance with reporting requirements and other elements.

HUMAN RESOURCES INFORMATION SYSTEM (HRIS)

As shown in last year's report, the HRIS project consists of three major phases:

- Improve the Quality of and Access to Employee Data
- Develop UC Enterprise HR/Payroll Service Architecture
- Provide new Human Resource Applications to Address UC-wide needs

Improve the Quality of and Access to Employee Data

Improvement of payroll data quality through enhanced edits and management reports is an ongoing goal that will be addressed as the review, revision, mapping, programming, and implementation of the UC campus pay codes is completed (referred to as Description of Service, or DOS, codes – please see below for additional information concerning the project to review and revise these payroll codes). Existing edit reports covering pay transactions will continue to be reviewed to ensure consistency with the new campus payroll codes and how they map into Office of the President (UCOP) systems and reports. In addition, the severity levels associated with the edits (e.g., warning, fatal, etc.) are being reviewed, including assessment of the authority currently given to campuses to set such severity levels.

Since early 2007, the UCOP DOS Code Committee has been working with the campuses to revise the campus Payroll/Personnel System (PPS) DOS codes and the mapping of those codes to the systemwide pay categories. Initial work has focused on codes related to the Health Sciences Compensation Plan, housing, honoraria, stipends, perquisites, bonuses, and incentive awards. Changes to date include re-mapping of campus codes to more accurately match the appropriate systemwide pay codes, elimination of unnecessary campus codes, and creation of uniform and consistent campus codes where needed. Current work is ongoing on the "by agreement" and "additional pay" categories.

The Committee has also started work on a searchable DOS Code Data Base and dictionary that will be comprised of the pay codes established by each campus. This application will greatly enhance the ability of UCOP and campuses to further improve the quality of the pay codes and ensure that they are used consistently by locations. The Committee is also developing a new PPS edit to inactivate obsolete and redundant DOS codes. This edit feature will prevent PPS processors from generating future payments using inactive codes and will facilitate the use of new DOS codes introduced by UCOP, which are supported by University policy.

The UCOP DOS Code Committee continues to work with the campus Chief Human Resources Officers, Academic Personnel Directors, and Payroll Managers to identify priorities for change after payroll code changes have been implemented.

To improve access to employee data, the Enterprise Data Warehouse has been fully designed and implemented and loaded with historical payroll and pension data. Human Resources and Benefits department analysts have written numerous data warehouse queries to assist with management information requests. Expansion of the Enterprise Data Warehouse is proposed as part of the overall HRIS strategy.

Develop UC Enterprise Human Resources/Payroll Service Architecture

The Information Resources and Communications department (the Office of the President information technology group) has installed and tested the necessary infrastructure to support the “Service Oriented Architecture” required for the overall HRIS project and has also designed and tested the way this architecture will work with the UC payroll system.

A web-based interface pilot project to facilitate updates to UC’s employee payroll database was initiated in September 2008, and is currently in the requirements development phase. This first phase is scheduled to be implemented in the summer of 2009. This interface will provide for simpler and more accurate data entry into UC’s payroll system.

Provide New Human Resource Applications to Address UC-wide Needs

High-level discussions on the HRIS strategy this past year have inevitably led to discussions on the long-term strategy for payroll. While the Payroll Service Architecture described above certainly facilitates the integration of HRIS applications, the functional owners of the payroll system are considering two additional options: 1) Buy a commercially packaged payroll solution with an integrated HRIS, or 2) Engage in a collaborative development with other Universities to develop a payroll/HR system, perhaps based on another University’s system or a commercial package. Providing HRIS applications under any of these scenarios would require a significant investment, however, which at present is extremely challenging given the current state budget situation. The original Payroll Service Architecture approach is the most incremental approach with the quickest short-term gains, so UC is proceeding with this development in a pilot proof-of-concept mode while the other options are considered.

The Senior Leadership Information System (SLIS) was used to capture compensation and related information for senior leadership and to produce the 2008 Annual Report on Executive Compensation and the Compensated Outside Professional Activities report. SLIS was enhanced in 2008 to provide monitoring and compliance reports to The Regents of compensation actions for senior leadership approved by the President or the Chancellors.

OTHER REFORMS AND ACTIONS

Salaries of Top Administrators Frozen

In response to the state budget challenge, on January 14, 2009, the Board of Regents approved President Yudof’s proposal to freeze the salaries of 285 top administrators and implement significant restrictions to compensation for an expanded group of senior leadership. The proposal took effect immediately, and will remain in effect for the remainder of 2008-09 and through the 2009-10 fiscal year. Because this action occurred in January 2009, outside the parameters of this year’s report, an expanded discussion will be provided in the University’s March 2010 Legislative Report on Compensation Policies and Practices.

Compensation Approval Authority and Governance

At their meeting of September 18, 2008, The Regents approved a recommendation to adjust the Indexed Compensation Level (ICL), which is the amount of total potential cash compensation requiring Regents’ review and

approval, from amounts exceeding \$205,000 to those exceeding \$275,000. The new 2008-09 ICL is intended to identify a meaningful population that requires the review and approval of The Regents.

The adjustment of the ICL to \$275,000, in combination with the *SMG Salary and Appointment* policy approved by The Regents at the same meeting, is consistent with the recommendations in the April 2006 Report of the Task Force on UC Compensation, Accountability, and Transparency. That report states, “The Regents’ ability to provide oversight of compensation decisions has been weakened by the large number of compensation decisions they were expected to review. At present, The Regents approve compensation levels for more than 2,000 employees. The Regents should retain authority for approving compensation for the University’s most senior positions, but the number of these decisions cannot be so large as to preclude thoughtful and thorough consideration of each decision.”

- Regental approval will apply to all compensation actions for all 340 Senior Management Group (SMG) employees, as well as all non-SMG staff who have cash compensation above the new \$275,000 level.
- The compensation level determines the number of compensation transactions required for Regental review and approval. The additional number of non-SMG staff above the new ICL is approximately 34 individuals, resulting in the number of employees subject to Regental approval of approximately 374.

In September 2008, The Regents also adopted clear mechanisms for approvals of compensation actions within policy, as well as heightened reviews and approvals of any actions that are exceptions to policy. These included the following features, specifically for non-SMG employees:

- Actions either within policy or that are exceptions to policy for non-SMG employees will require a higher level of review and approval -- that of the President for any of the Chancellor’s actions or The Regents for any of the President’s actions.
- A key feature of this authority and governance model is the production of Bi-Monthly Transaction Monitoring Reports that are presented to The Regents at each meeting, covering the compensation actions taken by the Chancellors and the President since the last reporting period. The reporting captures details of these compensation actions, showing a before and after picture, including flagging actions that are exceptions to policy. The first of these ongoing Bi-Monthly Reports was presented to The Regents in November 2008.

Contact information:

UCOP Systemwide Budget Office
1111 Franklin Street, 10th Flr.
Oakland, CA 94607-5220
Office website: <http://budget.ucop.edu>
Report website: <http://budget.ucop.edu/legreports/200809/200809legreq.html>

Compensation Task Force Review Members

Robert M. Hertzberg, Co-Chair

Hertzberg is former Speaker of the California State Assembly, serving from 2000-2002. He is currently a Partner at the global law firm Mayer Brown, LLP. He also serves as Co-Chair of the Leadership Council of California Forward, a bipartisan, private organization dedicated to the renewal of California's fiscal and governing systems.

Joanne C. Kozberg, Co-Chair

Kozberg is a Principal at California Strategies, LLC, a public affairs consulting firm. She formerly served as President and Chief Operating Officer of the Music Center of Los Angeles County and as California's Secretary of State and Consumer Services. She is a member of the UC Board of Regents, a Trustee of the J. Paul Getty Trust, and a Director of the California Community Foundation.

Dede Alpert

Alpert is the Special Advisor in Public Policy and Strategic Planning at Nielsen, Merksamer, Parrinello, Mueller & Naylor, LLP. She served in the California State Assembly for three terms and in the State Senate for two terms. In the Legislature, Alpert chaired the Education Committee in both houses in addition to many other committees.

James J. Duderstadt

Duderstadt is President Emeritus and University Professor of Science and Engineering at the University of Michigan, where he serves as Director of the Millennium Project and also directs the University's program in Science, Technology, and Public Policy. Duderstadt currently serves on or chairs several major national commissions in areas such as higher education policy, computer technology, energy policy, and global sustainability.

B. Kipling (Kip) Hagopian

Hagopian is Managing Partner of Apple Oaks Partners, LLC, a private investment company. He was a co-founder of Brentwood Associates, a high-technology venture capital and private equities firm. Hagopian currently serves as Chairman of Maxim Integrated Products, a public semiconductor and is on a number of other corporate and non-profit boards. He has been a witness at several government hearings on tax policy, venture capital, and securities law.

Jay T. Harris

Harris is the founding director of The Center for the Study of Journalism and Democracy at the Annenberg School for Communication, University of Southern California, where he holds the Wallis Annenberg Chair in Journalism and Democracy. Harris is the former publisher of the San Jose Mercury News and serves on the Board of Directors of the Pulitzer Prize.

James E. (Jay) Morley, Jr.

Morley is a Director of the Washington Advisory Group where he advises on financial, administrative and organizational management for colleges, universities and nonprofits. He formerly served as President and CEO of the National Association of College and University Business Officers (NACUBO), a Washington D.C.-based organization dedicated to higher education administrative and financial issues, and as Senior Vice President at Cornell University.

Harry Powell

Powell will begin his term as Chair of the UC Academic Council, which represents the faculty in the shared governance of the University, effective September 1. He currently serves as Vice-Chair of the Academic Council. Powell is Professor of Pathology at the UC San Diego School of Medicine, where he has served on the faculty since 1976 and served as neuropathology division head from 1986 to 2008. He replaces John Oakley, former Chair of the UC Academic Council, on the Task Force.

Bruce Varner

Varner is a Partner with Varner & Brandt, a law firm where he specializes in general business, corporate and transactional law. He is active in numerous civic and volunteer associations. He is a member of the UC Board of Regents and currently serves as Chair of the Committee on Compensation. He replaces Monica Lozano, a former Chair of the Committee on Compensation, on the Task Force.

Follow-up Report to the Task Force on UC Compensation, Accountability, and Transparency

August 13, 2009

I. Introduction and Purpose

After adopting the recommendations proposed by the Task Force on UC Compensation, Accountability, and Transparency in 2006, the Regents agreed to reconvene in three years' time "...a similarly constituted, independent body to review and report back on the University's progress in these areas.

There are three main areas of focus for the Task Force today:

- Review and validate accomplishments
- Review and comment on pending actions
- Provide guidance on future actions

The following report and materials are provided to assist in the Task Force review:

- A summary report providing the specific actions taken by UC to address the Task Force recommendations
- A chart listing the specific Task Force recommendation, the resulting actions and the details of the status regarding implementation of remedies
- Sample documents to provide additional context

II. Background

The Task Force on UC Compensation, Accountability, and Transparency was created by the then Chairman of the Board of Regents, Gerry Parsky, early in 2006 to "...conduct an independent review of the University's policies and practices on compensation for faculty and senior managers and on the release of public information regarding compensation and related matters, and to recommend improvements."

The review by the Task Force identified twenty-two findings and recommendations categorized under four primary areas:

- Disclosure and Transparency
- Governance and Accountability
- Specific Policies and Practices
- Competitive Compensation

The following information will address those actions that have been implemented and those underway but not fully implemented, organized within the four primary areas noted above.

III. Report on Progress

1. Actions That Have Been Implemented - Disclosure and Transparency

The following describes the accomplishments and ongoing efforts to implement the Task Force recommendations. A graphic summary is in the accompanying chart.

Over the last three years, the University has implemented reforms consistent with the Task Force recommendations including:

- In 2006, the Regents approved the definition of ‘total compensation’, applying this definition to policies, and incorporating it into monitoring and reporting standards.
- In 2006, the Regents redefined and clarified protocol and processes to ensure transparency in disclosing senior leadership compensation actions. Actions are now presented to the Regents in advance of meetings and posted publicly after approval.
- In 2006, the Regents established a practice of consistently and fully disclosing itemized details of compensation proposals to the Regents for approval and, once approved, are posted publicly. A sample Regents item and disclosure is provided as Attachments A & B.
- In 2006, the Regents approved a new format and content for the Annual Report on Executive Compensation. This report is presented to Regents in March of each year and distributed to legislators and the public. This report details the total compensation for staff, systemwide, whose annual cash compensation exceeds the Indexed Compensation Level (\$214,000 in 2009). Attachment C.
- In November 2006, UC produced its first annual public reporting of salary and gross pay for all UC employees systemwide. Attachment D
- In 2007, the report on Compensated Outside Professional Activities for all Senior Management Group staff was expanded to include more details regarding the type and amount of compensation received, as well as time spent on the activity and the number of vacation hours taken to perform the service. Attachment E
- In 2006, UC implemented a data warehouse to collect compensation-related information, referred to as the Senior Leadership Information System (SLIS). This database supports reporting and monitoring efforts used in the production of the bi-monthly transaction monitoring reports, the annual reports on compensated outside activity and the Annual Report on Executive Compensation. Attachments F, E, & C

- In 2006, the Office of the President established and filled a position to oversee Public Information Practices, coordinating all Public Records Act requests for OP. Director of Public Information and Records, Stella Ngai, reports to the Executive Vice President for Business Operations.
- In 2006, Office of the President launched a website to provide the public with details on compensation information. Attachment G

Since 2007, the Office of the President has worked closely with the Senior Vice President for Compliance and Audit to establish ongoing audits to validate accuracy and completeness of campus and OP reporting, monitoring and disclosure of information.

2. Actions That Have Been Implemented - Governance and Accountability

- In 2006, the Regents established a Committee on Compensation and created oversight standards for the review and approval of compensation, policies and other HR-related activities.
- In 2006 the Regents established clear delineations of authority for actions requiring approval by the Regents, the President, or the Chancellors, incorporating these standards into policy and process and establishing reporting and monitoring standards.
 - The Regents exercise approval authority over approximately 350 staff members including
 - all Senior Management Group (SMG) members systemwide,
 - any non-SMG direct reports to the President, and
 - any non-SMG direct reports to the Chancellors whose total compensation is greater than \$275,000 and whose actions would be exceptions to policy.
 - Currently, any actions taken by the President, Chancellors or Lab Director for staff whose total annual compensation exceeds \$214,000 are reported to the Regents at each meeting:
 - Bi-Monthly Transaction Monitoring report;
 - Report on Actions Taken Under Delegation of Authority for Recruiting and Negotiation Parameters for Certain Athletic Positions and Coaches, Systemwide (Attachment H).
- Exceptions to policy are now clearly defined. In addition, the revised policies include a section on compliance and responsible officers, and the process for dealing with non-compliance. Attachment I
- The Regents' items provide a detailed description of each action and clearly designate each action as an exception to policy or within policy. Policy exceptions are also noted in public disclosures of actions, and in the monitoring and annual reports on compensation.

- In 2006, Policy Review Committees were established to initiate a review process ultimately resulting in sixteen policies being identified for revision, the details of which are covered in the next section.
- The OP Compliance and Audit office established an ethics training program, mandated for all employees, and integrated it into the ongoing compliance and conflict of interest training sessions, as well as other training modules. Over the last two years approximately 85% of all employees systemwide completed their annual training. It is expected that compliance will increase as the training is expanded.

3. Actions that Have Been Implemented - Specific Policies and Practices

Sixteen policies were targeted for revision and ten have been completely revised and implemented. The revised policies now delineate clear definitions of approval authority, accountability, exceptions to policy and compliance.

The following policies have been revised and implemented:

- SMG Salary and Appointment
- SMG Hiring Bonus
- University-provided housing
- SMG Auto Allowance
- SMG Moving Reimbursement
- SMG relocation allowance
- Separation Agreements (not addressed by the Task Force)
- Rehired Retirees (not addressed by the Task Force)
- Interim policy on Compensated Outside Professional Activities
- SMG Performance Management

4. Actions That Have Been Implemented - Competitive Compensation

In 2005, the first Total Remuneration Study was presented to the Regents. This report provided details of the UC competitive position for cash compensation, benefits and total remuneration for ladder rank faculty and staff. An updated Total Remuneration Study was recently completed using data from 2007, benchmarking against the 26 public and private institutions designated by the California Post-Secondary Education Commission (CPEC). The report is under final review within the Office of the President and will be presented to the Regents in September or November of this year. This study shows that overall Ladder Rank Faculty (LRF) are approximately 20% behind market average salaries at comparable private institutions and approximately 3% ahead of the public institutions. When the public and private data is combined, Full Professors lag this aggregated market average by 10%, Associate Professors lag by 12% and Assistant Professors are behind by 7%. When benefits are brought into the equation, and assuming that employee contributions to UCRP commence in April 2010, total remuneration for overall LRF is 14% behind the privates and 7% above the market average for public institutions. Attachment J

In FY 2007-08, the Regents adopted a four year faculty salary plan designed to address market disparity. The first year of the program was funded; however no further funding was available for year two or three (FY 2008-09/FY 2009-10) due to State budget reductions sustained by the University. In FY 2008-09 and FY 2009-10, faculty merit increases were funded, but staff merits were cancelled. During this period, salary increases for represented staff were honored consistent with the terms of collective bargaining agreements.

IV. Ongoing Efforts

1. Ongoing Efforts - Disclosure and Transparency – Human Resource Information System (HRIS)

In 2006 the Senior Leadership Information System (SLIS) was launched to provide a mechanism for collecting and reporting compensation-related data on the executive group. Although limited in its functionality, it provided a means of consistently characterizing data for reporting and monitoring activity, as well as responding to public information requests. It models capabilities that will be incorporated into a new HRIS.

Also in 2006, UC commissioned Deloitte Consulting to conduct a high-level assessment of all HR information technologies across the UC system. The study also identified challenges associated with efforts to integrate the various HR approaches that currently exist. While resources were not available to implement a comprehensive HRIS solution in the past, the Payroll Personnel System (PPS) project currently underway is designed to improve access to more robust and higher quality systemwide data, with HRIS functionality now being incorporated in the overall project.

A Workgroup, comprised of campus and OP leadership, was recently formed to review options to establish a new PPS with the intention of creating a ‘single instance’ system to pay all University and affiliate employees. Currently there are eleven different payroll systems across the enterprise, and the cost associated with maintaining separate systems requires that this effort be given priority. The current payroll efforts create significant challenges with respect to maintenance, data consistency and resource allocation. This effort, which launches on September 1, will begin to reconcile all eleven instances into a common, core functionality, and then review the various technology solutions to support the payroll effort.

In addition, the Workgroup will explore the feasibility of expanding this project to include an HR IT solution as a front end and ‘system of record’. While payroll may have been the impetus to this undertaking, there is growing acknowledgement that the HRIS overlay represents the largest value added to the project.

The Workgroup has posted a Request for Information (RFI) with various consulting firms and service providers as a means of pre-qualifying the respondents to perform a gap analysis across the UC enterprise. The Workgroup has also produced a ‘white paper’ that provides details on the current situation, identifies key issues, and establishes guiding principles for choosing a process reconciliation path and technology solution. Ultimately, implementation of the new PPS will provide much better controls, such as data entry edits, to improve the consistency of data, and

will better support systemwide compliance and monitoring activity, as well as increase efficiencies and reduce operational costs.

2. Ongoing Efforts - Disclosure and Transparency – Data Consistency

As the PPS project progresses, OP continues working with campuses to standardize payroll codes to achieve consistency in tracking and reporting. The following represents some of the accomplishments to date:

- Certain vague and general-purpose payroll codes such as “by agreement” have been consolidated and restricted, with additional, more detailed documentation providing clearer definition.
- Ongoing training is provided to the payroll managers at the various locations, helping to ensure consistent application and interpretation of codes and procedures.
- Campuses can no longer establish their own new payroll codes but must request Payroll Coordination at UCOP so that consistency and linkage to CPS (Corporate Personnel System) can be assured.

3. Ongoing Efforts - Governance and Accountability - Pending Policy Revisions

Of the sixteen policies that were targeted for revision, the following six policies are currently being revised to be implemented by the end of fiscal year 2009-10:

- Certain sections of the Regents Standing Orders and By Laws are being amended to provide further clarification and align with other policies. The Office of General Counsel has submitted a revised draft for review and consultation. The final amended policies will be submitted for approval by end of calendar year.
- The Outside Professional Activities policy will be finalized and presented to Regents in November. This revised policy will replace the interim policy currently in effect since 2006.
- The policy to migrate Deans from the SMG policies to Academic Personnel policies will be presented to Regents in September. Attachment K (This policy was not identified in earlier Task Force documents.)
- The Transitional Leave policy (Administrative Leave in Lieu of Sabbatical) is being finalized with several approaches identified in consultation with the Academic Senate. The final policy is expected to be submitted to Regents in November.
- The Absence from Work policy is a staff policy that was not identified in earlier Task Force documents, but included to support other policies being revised. This policy has been drafted and is being finalized for approval by the end of the calendar year.
- The policy governing SMG Cash Recognition and Incentive Awards is also under review with OP leadership, and will be submitted for approval by June 2010

4. Ongoing Efforts - Competitive Compensation – Challenges to Progress

The President and the Regents have consistently recognized the importance of ensuring that the University be in a position to provide competitive compensation to faculty and staff to ensure that it can attract and retain the best talent possible. Historically the cash compensation for existing faculty and staff has lagged the market in varying degrees, in one recent case by as much as 37% for Chancellors.

Although the University's benefits have tended to soften the impact of this disparity, the impending restart of employee contributions into the UC Retirement Plan (UCRP) scheduled for April 2010 and the trend of shifting increasing costs of some benefits to employees has resulted in a reduction in the value of these benefits. Additional details of the University's Total Remuneration position to market is contained in Attachment J.

In FY 2007-08, the Regents adopted a four year faculty salary plan designed to address market disparity. The first year of the program was funded; however no further funding was provided for year two or three (FY 2008-09/FY 2009-10) due to State budget reductions sustained by the University. In FY 2008-09 and FY 2009-10, faculty merits increases did continue to be funded even though staff merits were cancelled.

The magnitude of the State funding reductions to the University for FY 2008-09 and FY 2009-10 totaling over \$800 million (a 20% reduction over FY 2007-08 levels) caused the Regents, upon request of the President, to declare a fiscal emergency and impose furloughs/salary reductions on faculty and staff for the period of September 1, 2009 through August 31, 2010.

Clearly these actions caused by the dramatic State funding reductions confronting the University will challenge the University's ability to remain competitive in retaining and recruiting faculty and staff. The next few years will test the University's ability to address fiscal challenges in new and creative ways, to free up resources to reshape the University's future and ensure that appropriate market-based total remuneration is a component of a sustainable solution to maintaining the University's reputation as a top-ranked public research and educational institution.

We believe further examination of our current remuneration strategy will reveal gaps in cash compensation for faculty and staff that will need to be addressed for UC to deliver competitive remuneration.

Several initiatives are scheduled to get fully underway this Fall to construct an overall strategy of Talent Management: Areas include:

- Market Based Pay
- Health and Welfare Benefits
- Retirement Programs

We expect to have defined initiatives that will be ready to launch by FY 2010.

V. Conclusion

Over the last three years, UC has made significant progress in addressing the recommendations of Regent Parsky's Task Force. Many of the issues that made it necessary to convene such a committee have been addressed. However, there are some areas where continued discipline and progress are critical.

Moving forward, efforts must be focused on more of the strategic challenges facing the University. The current financial crisis has dictated that some of the strategic efforts with regard to pay and remuneration be put on hold. With the appropriate controls, checks and balances in place, we believe we can continue to be successful in continuing to rebuild confidence in UC's ability to manage the talent and systems to build upon our status in the educational community.

Compliance and Internal Audit
Addendum to:
**Follow-up Report to the
Task Force on UC Compensation, Accountability,
And Transparency**

August 13, 2009

I. Report on Progress – Compliance and Internal Audit Perspective

1. Disclosure and Transparency

The following describes compliance and internal audit's role in independently reviewing management actions to implement the Task Force recommendations.

- Beginning 2007, audits have been performed at every location each year validating the completeness and accuracy of the Annual Report on Executive Compensation (including housing expenses and T & E for the President and Chancellors). These audits also validate compliance with various new policies developed, e.g. definition of total compensation, use of disclosure template, reporting of exceptions to policy, inclusion of all whose compensation dictates reporting.
- In October 2007, the SVP/Chief Compliance and Audit Officer Role and Office of Systemwide Ethics Compliance and Audit Services were implemented. This office has been working in conjunction with the Office of the President to audit and/or validate management action in complying with the task force recommendations.
- October, 2007, participation on the management Policy Review Project began where compliance and internal audit provided feedback on draft policies and related processes on an ongoing basis.
- Compliance and Internal Audit have participated in an advisory capacity on various workgroups, especially in the areas of data integrity and compliance.
- Compliance and Internal Audit have work closely with the Director of Public Information and Records to assure requests are responded to timely.
- In 2007, Internal Audit reviewed the public website with details on compensation information in conjunction with the 2007 Review of the Status of Implementation of the Executive Compensation Recommendations.

2. Governance and Accountability

- Ongoing compliance monitoring and annual audits has been occurring since 2007 related to appropriate Regental and Senior Management approvals per compensation policies and procedures. Specific areas of focus are the management actions below:
 - The Regents exercise approval authority over approximately 350 staff members including
 - all Senior Management Group (SMG) members systemwide,
 - any non-SMG direct reports to the President, and
 - Any non-SMG direct reports to the Chancellors whose total compensation is greater than \$275,000 and whose actions would be exceptions to policy.
 - Currently, any actions taken by the President, Chancellors or Lab Director for staff whose total annual compensation exceeds \$214,000 are reported to the Regents at each meeting:
 - Bi-Monthly Transaction Monitoring report;
 - Report on Actions Taken Under Delegation of Authority for Recruiting and Negotiation Parameters for Certain Athletic Positions and Coaches, Systemwide (Attachment H).
- Compliance and Internal Audit review all exceptions to policy and if needed, request additional information.
- In 2006, a task force was established to develop and implement the ethics training program, mandated for all employees. The training was implemented in 2007 and then is now being integrated into ongoing compliance and conflict of interest training sessions, as well as other training modules. Over the last two years approximately 85% of all employees systemwide completed their annual training. It is expected that compliance will increase as the training is expanded.
- In 2007, internal audit at each UC location incorporates any of the newly implemented policies into their Annual Report on Executive Compensation audits. Additionally, compliance reviews drafts of any new policy prior to final approval.

3. Specific Policies and Practices

- Ongoing monitoring has occurred related to policy development.
- In 2009/2010, systemwide audits of all the newly adopted compensation policies will be audited at each UC location.
- Additionally, compliance reviews drafts of any new policy prior to final approval.

**WASC STANDARDS AND CRITERIA FOR REVIEW (CFR)
RELEVANT TO COMPENSATION AUDIT AND TASK FORCE FINDINGS
*Revised 2008***

STANDARD 1 – Defining Institutional Purposes and Ensuring Educational Objectives:

The institution defines its purposes and establishes educational objectives aligned with its purposes and character. It has a clear and conscious sense of its essential values and character, its distinctive elements, its place in the higher education community, and its relationship to society at large. Through its purposes and educational objectives, the institution dedicates itself to higher learning, the search for truth, and the dissemination of knowledge. The institution functions with integrity and autonomy.

- **CFR 1.3:** The institution’s leadership creates and sustains a leadership system at all levels that is marked by high performance, appropriate responsibility, and accountability.
- **CFR 1.8:** The institution exhibits integrity in its operations as demonstrated by the implementation of appropriate policies, sound business practices, timely and fair responses to complaints and grievances, and regular evaluation of its performance in these areas.

STANDARD 3: Organizational Structures and Decision-Making Processes: The institution sustains its operations and supports the achievement of its educational objectives through its investment in human, physical, fiscal, and information resources and through an appropriate and effective set of organizational and decision-making structures. These key resources and organizational structures promote the achievement of institutional purposes and educational objectives and create a high quality environment for learning.

- **CFR 3.8:** The institution’s organizational structures and decision-making processes are clear, consistent with its purposes, support effective decision making, and place priority on sustaining effective academic programs.
- **CFR 3.9:** The institution has an independent governing board or similar authority that, consistent with its legal and fiduciary authority, exercises appropriate oversight over institutional integrity, policies, and ongoing operations ...
- **CFR 3.10:** The institution has a full-time chief executive officer and a chief financial officer whose primary or full-time responsibility is to the institution. In addition, the institution has a sufficient number of other qualified administrators to provide effective educational leadership and management.