

NON-LAB SALARIES APPROVED AT MARCH 2006 REGENTS

March 15, 2006

George W. Breslauer – Executive Vice Chancellor and Provost – UC Berkeley

- Base Salary: 285,000 per year
- Standard Pension and Health and Welfare benefits and Standard Senior Management benefits, including Senior Manager Life Insurance, Executive Business Travel Insurance, and Executive Salary Continuation for Disability,
- An auto allowance of \$8,916 per year
- \$30,000 annual research fund
- No exceptions to policy

BACKGROUND

The current Executive Vice Chancellor and Provost will be returning to faculty.

As the Executive Vice Chancellor and Provost, Mr. Breslauer will report directly to the Chancellor. The Executive Vice Chancellor is the second-highest campus administrator and works in close partnership with the Chancellor in developing the campus vision and priorities and serves as the Chancellor's leading senior executive in their execution and implementation. He will also work closely with the Chancellor in overseeing the \$1.3 billion operating budget for the Berkeley campus. Mr. Breslauer will be the chief academic officer of the campus with a portfolio that includes the campus' 15 schools and colleges. He will direct oversight of a total budget of \$500 million and close to 5,000 FTE. He will operate in partnership with the highest levels of campus and system-wide management and will represent Berkeley on academic issues both on campus and to a broad range of constituents. Mr. Breslauer will act for the Chancellor in his absence.

March 15, 2006

Lynda Choi – Investment Officer, Absolute Return, UC Treasurer’s Office

- Base salary: \$181,125 per year (Merit increase of \$5,125)*
- No Exceptions to Policy

***BACKGROUND**

Regents approved a merit increase of \$5,125 (2.9 percent) for Lynda Choi as Investment Officer, Absolute Return, effective retroactively to October 1, 2005 to bring her salary from \$175,950 to \$181,125.

At the November 16, 2005 Regents' meeting, the proposed new base salary for Ms. Choi was mistakenly stated as \$176.0 (rounded) and it should have been proposed as \$181,125.

March 15, 2006

Gloria Gil – Director of Real Assets, UC Treasurer’s Office

- Base salary: \$200,000 per year
- participation in the Treasurer's Office Incentive Plan with the incentive award as a percentage of base salary to be 20% for threshold performance, 45% for target performance, and 90% for maximum performance
- Exception to policy for participation in the Mortgage Origination Program
- Exception to policy for a \$30,000 (15%) relocation allowance

BACKGROUND

At a March 4, 2003 joint meeting, the Committee on Investments and the Investment Advisory Committee were presented with real estate investment strategies for consideration. Subsequently, The Regents approved a real estate investment decision process and investment guidelines. For Public Real Estate Investments, the strategy would be accomplished through an externally managed program where managers are investing in publicly traded real estate securities, mostly Real Estate Investment Trusts (REITs). The manager selection and due diligence process will be led by the head of the Real Asset group. In addition, a real estate consultant will be engaged in the selection process and will approve the external managers; similar to the case with other Regents’ approved investment strategies.

As a member of the Treasurer’s Office Investment team, Ms. Gil will be responsible for Real Asset Investments. Her principal responsibilities will be to conduct due diligence, select, hire and provide ongoing review and oversight of external investment managers. She will also provide detailed evaluations and selection criteria of specific external investment strategies and work with The Regents’ real estate consultant to implement and monitor the program.

Ms. Gil has been working as a Senior Investment Officer for [REDACTED] where she was primarily responsible for the fund’s \$3.1 billion real estate portfolio including developing and recommending investment structure and policy, monitoring managers, and implementing Board approved plans. She also was responsible for providing advice and counsel to the Boards of Investments and management. She supervised the development and implementation of an investment management strategy in accordance with the goals and guidelines established by the Board of Investments, developed and recommended policies, portfolio investment structures and strategies for the real estate asset class. She designed, developed and implemented policies, procedures and guidelines to manage the portfolio consistent with the investment strategies adopted by the Board of Investments, as well as prepared and presented written reports. Ms. Gil conducted investment manager searches and monitored investment managers

March 15, 2006

Arthur C. Gossard – Associate Vice Chancellor – Academic Personnel, UC Santa Barbara

- Base salary: \$236,261 per year
- No exceptions to policy

BACKGROUND

The campus is requesting approval as a special circumstance to exceed the current maximum salary of \$224,000 of grade 106 for the appointment of Mr. Gossard on a year-by-year basis. Mr. Gossard is currently a Professor Above Scale in Electrical and Computer Engineering and Materials with a 9-month academic salary of \$184,900.

The campus reports that Mr. Gossard is an internationally renowned scientist in the field of molecular beam epitaxial growth and application of compound semiconductor materials. His stature in this field has been recognized with numerous prestigious awards, including the Oliver E. Buckley Condensed Matter Physics Prize, the James C. McGroddy Prize in New Materials, and the TMS John Bardeen Award. He is a member of both the National Academy of Sciences and the National Academy of engineering, and is a Fellow of the American Physical Society and Institute of Electrical and Electronics Engineers.

March 15, 2005

Joyce Justus – Interim Vice Provost, UC Office of the President

- Base Salary: \$167,500 per year
- Administrative stipend of \$25,125 to be added to her current base salary of \$167,500 for a total annual salary of \$192,625

BACKGROUND

With Vice President Doby's announced retirement and the President's request to have him devote his remaining months on issues of underachievement in California, Interim Vice Provost Justus will take on the day-to-day leadership of the Department of Student Affairs. She served as the Acting Vice President for Student Affairs during the Vice President's administrative leave in addition to her current position in Educational Relations.

March 15, 2006

Carole A. Klove – Chief Compliance Officer, UC Los Angeles Hospital System

- Base salary: \$236,000 per year (effective December 19, 2005)¹
- Standard Pension and Health and Welfare benefits and Standard Senior Management benefits, including Senior Manager Life Insurance, Executive Business Travel Insurance, and Executive Salary Continuation for Disability
- Participation in the Clinical Enterprise Management Recognition Plan (average incentive award of \$35,400)
- Per policy, 5 percent monthly contribution to the Senior Management Supplemental Benefit Program (\$11,800)
- No exceptions to policy

BACKGROUND

As the leading candidate for the Chief Compliance Officer for the UCLA Hospital System, Ms. Klove has demonstrated her combined expertise in nursing and healthcare regulatory matters. Ms. Klove has extensive regulatory compliance leadership experience in both academic medical centers and public firms. In her role as Chief Compliance and Privacy Officer at [REDACTED], Ms. Klove was instrumental in designing, developing, and directing the implementation of privacy and compliance programs that increased revenues and ensured compliance with federal and State laws. She also led the integration of research activities to ensure compliance with HIPAA (Health Insurance Portability and Accountability Act), billing, and human research protection standards. Prior to her appointment with [REDACTED], Ms. Klove served as a principal consultant at [REDACTED], where she consulted with healthcare providers on various compliance systems improvements for Medicare and Medicaid, EMTALA (Emergency Medical Treatment and Active Labor Act) compliance, HIPAA, quality assurance, and risk management.

¹ The effective date was too late to meet the January 2006 deadline for submission of items.

March 15, 2006

Mary Anne Koda-Kimble – Dean – School of Pharmacy, UC San Francisco Campus

- Base salary: \$250,000 (Equity increase of \$56,600)
- Standard Pension and Health and Welfare benefits and Standard Senior Management benefits, including Senior Manager Life Insurance, Executive Business Travel Insurance, and Executive Salary Continuation for Disability
- Per policy, 5 percent monthly contribution to the Senior Management Supplemental Benefit Program (\$12,500)
- Auto allowance of \$8,916 per year
- No exceptions to policy

BACKGROUND

UCSF's School of Pharmacy is the number one School of Pharmacy in the nation. In 2003, the most recent year for which data have been published, the school ranked first in National Institutes of Health research funding among all pharmacy schools in the U.S., receiving 44 awards totaling \$19.8 million. The last time *U.S. News and World Report* rated pharmacy schools, the UCSF school was ranked number one. The campus advises that it was pleased to learn that *Chemical and Engineering News* recently ranked it first in the nation among academic institutions receiving federal support for research and development in chemistry (MIT and UC Berkeley ranked second and third). It is ranked as the top school in the U.S. according to a 2002 survey published in *The Annals of Pharmacotherapy*, which weighed key criteria such as funding for research and the frequency of scientific publications by faculty. The campus advises that the School has achieved and maintained this dominant position largely due to the leadership of Dr. Koda-Kimble.

March 15, 2006

Mark R. Laret – Chief Executive Officer, UC San Francisco Medical Center

- Base salary: \$535,600 per year (Equity increase of \$90,300)*
- Standard Pension and Health and Welfare benefits and Standard Senior Management benefits, including Senior Manager Life Insurance, Executive Business Travel Insurance, and Executive Salary Continuation for Disability
- Participation in the Clinical Enterprise Management Recognition Plan (average incentive award of \$65,160)
- Per policy, 5 percent monthly contribution to the Senior Management Supplemental Benefit Program (\$26,916)
- Auto allowance of \$8,916 per year
- No exceptions to policy

***BACKGROUND**

Mark Laret is the most senior Chief Executive Officer (CEO) in the UC system, having served as CEO of the UCI Medical Center from 1995 to 2000 and as CEO of UCSF Medical Center since 2000. At both medical centers, he led major financial and operational turnarounds: UCI's Center for Reproductive Health crisis and UCSF's demise of the UCSF/Stanford merger. He has been appointed to national leadership positions in major academic medical center organizations, including the Association of American Medical Colleges, the University Hospital Consortium, and the Accreditation Council on Graduate Medical Education.

Mr. Laret's compensation has fallen substantially below that of the UCLA Medical Center CEO's current salary of \$533,000. Because of his performance and his national visibility, Mr. Laret has become a highly attractive target for recruitment at non-UC medical centers. The University believes that Mr. Laret is a vital part of UCSF's continuing success.

March 15, 2006

Cheryl Brown Lohse – Associate Vice Chancellor for Development, UC Davis

- Base salary: \$191, 475 per year
 - Retention adjustment in the amount of \$20,000 (12.1 percent) to bring her salary from \$165,000 to \$185,000, effective June 29, 2004
 - Merit increase of \$6,475 (3.5 percent), bringing her current salary to \$191,475, effective October 1, 2005

BACKGROUND

Chancellor Vanderhoef reports that in August 2004, the campus learned that Ms. Lohse was being actively recruited to serve as Vice Chancellor for University Relations at another University of California campus. Although Ms. Lohse had not yet received a formal offer, they learned that she was indeed the first choice candidate. The campus was and still is aggressively planning to undertake its first comprehensive campaign, and Ms. Lohse's departure would have been a major setback to these plans. Ms. Lohse's salary was adjusted to \$185,000 by the campus in an effort to retain her. Chancellor Vanderhoef regrets that an oversight in seeking approval of her salary occurred and assures that they will better coordinate salary adjustments for MSP employees that require approval beyond the campus.

In October 2005, Ms. Lohse's salary was increased by 3.5 percent as part of the campus-wide merit program, and she is receiving an annual salary of \$191,475.

Note: Actions were processed in error without Regental approval.

March 15, 2006

Mona Sonnenshein – Chief Operating Officer, UC San Diego Medical Center

- Base salary: 365,000 per year
- Participation in the Clinical Enterprise Management Recognition Plan (CEMRP) up to 20% of her base salary (73,000)
- 5% Senior Management Supplemental Benefit program contribution
- Mortgage Origination Program Loan
- Relocation Allowance - 25% (\$91,250)
- Temporary Housing Allowance of approximately \$2,000 per month for (up to) four months (Exception to Policy)
- Up to four trips (coach class) between San Diego and New York during the first six months of her appointment
- Storage cost of household goods for a period of up to four months

BACKGROUND

This is a new position in the UCSD Medical Center Senior Management Group.

The Chief Operating Officer will report to the Chief Executive Officer, and will provide leadership, direction, and accountability for hospital operations and financial performance. The position will promote effectiveness and assure coordination of operations throughout the hospitals and clinics, work with their direct reports in the areas of: Patient Care Services, Professional Services, Ambulatory Services, and Facilities and Safety Management, and coordinate with members of the Senior Management Team. In the absence of the Chief Executive Officer, the position serves as the chief administrative officer for UCSD Medical Center.

The campus advises that the announcement of their new vision for 21st Century healthcare causes the Chief Executive Officer to devote significant amount of his time enhancing their community partnerships, establishing political support, and identifying new strategic sources of financial capital to achieve their vision. Therefore, the new Chief Operating Officer will be fully dedicated to ensuring that the daily operations of the hospitals and clinics are promoting excellence in delivering patient care, educating students and advancing translational discovery.