



Important information about compensation for senior UC managers

Competitive compensation for all UC employees a top priority; Critical to preserving quality

UC's caliber of personnel is the cornerstone of UC's ongoing success, and UC is committed to providing competitive compensation for all UC employees assuming the resources to do so. UC must be able to provide market-competitive salaries if institutional competitiveness and quality are to be preserved.

UC salaries trail market significantly due to lack of State funding

With several years of reduced funding support from the state, salary levels for many UC employee groups, including senior administrators, seriously lag the market and challenge UC's ability to maintain institutional excellence.

Salaries for University Presidents

Univ. of MI	\$475,000*
UT System	\$468,000*
Yale	\$550,000
Harvard	\$500,110
UC	\$395,000

Source: Chronicle of Higher Educ. 11/04.

*Not including deferred compensation

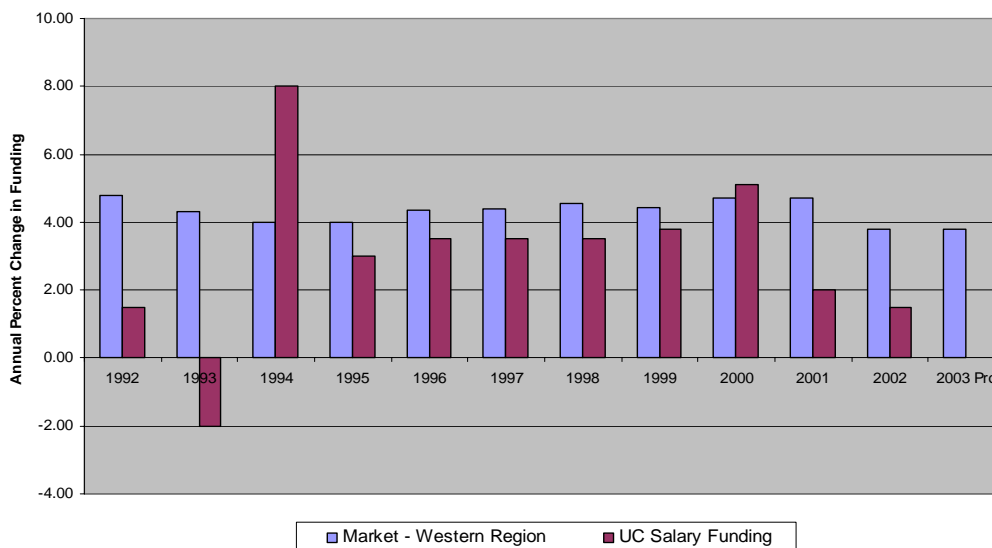
Salary Comparisons for UC Chancellors

Avg. UC Chancellor Salary	\$312,370	UC Lag
Avg. Private Univ. Salary	\$547,343	- 75%
Comparison Eight Avg. Salary	\$430,597	- 38%
Full Comp. Group Avg. Salary	\$415,798	- 33%
Avg. Public Univ. Salary	\$324,728	- 4%
Avg. UC Chancellor Salary for General Campuses with Medical Schools	\$324,075	
Comparison Eight Avg. Salary	\$434,090	- 34%
Full Comp. Group Avg. Salary	\$428,018	- 32%

Source: July 2004 Mercer Salary Survey of UC Chancellors; data includes new chancellor salaries at Berkeley, Irvine, San Diego and Santa Cruz.

State funding for UC staff salaries

During the last decade, overall state funding for UC salaries has trailed salary programs for western region employers.



Summary of current executive recruitments

UC recently appointed new chancellors for the Berkeley, Irvine, San Diego, and Santa Cruz campuses. Competitive compensation continues to be critical to quality recruitments. The average of the salaries of the four new chancellors is 26% higher than the average salary of their predecessors, in keeping with market requirements.