

T A S K F O R C E O N

UC Compensation, Accountability, and Transparency

April 13, 2006

Gerald L. Parsky
Chairman
University of California Board of Regents
1111 Franklin Street, 12th Floor
Oakland, California 94607-5200

Dear Chairman Parsky:

We are transmitting to the Board of Regents the report of the Task Force on UC Compensation, Accountability, and Transparency.

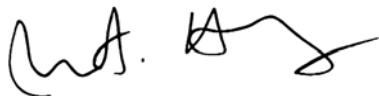
The issues raised in the Task Force report are substantive and demand diligent efforts at reform and rectification on the part of the University's Regents and senior leaders. We intend for our recommendations to inform these efforts. The matters involved have been complex and difficult, and each member of the Task Force has spent many hours deliberating and reflecting on them.

The Task Force met 10 times, both by telephone and in person. We have reviewed an extensive body of material 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 guide compensation decision-making.

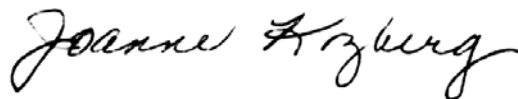
We appreciate the opportunity to provide this public service to the University and the people of California. The University of California is a great public institution and a vital positive force in the economic and social well-being of the state. We hope you find our recommendations valuable.

Sincerely,

TASK FORCE ON UC COMPENSATION, ACCOUNTABILITY, AND TRANSPARENCY



Robert M. Hertzberg
Co-Chair



Joanne C. Kozberg
Co-Chair

Enclosure