

COMMITTEE ON COMPENSATION
March 17, 2011

TO THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

1. INDIVIDUAL COMPENSATION ACTIONS

- A. *Change in Personnel Program to Achieve Systemwide Consistency for Certain Incumbents Classified as Senior Management Group Members, Los Angeles and San Diego Campuses*

Background to Recommendation

This item proposes to change the personnel program classification of three assistant/associate vice chancellor positions currently classified in the Senior Management Group (SMG). A systemwide review determined that comparable positions at other campuses are classified in the Management and Senior Professional (MSP) category and are governed by MSP policies. In order to achieve consistency, the following three incumbents and their positions are proposed for reclassification from SMG to MSP:

- Lubbe Levin as Associate Vice Chancellor – Campus Human Resources, Los Angeles campus
- Donald Larson as Assistant Vice Chancellor – Business and Financial Services, and Controller, San Diego campus
- Maxwell Boone Hellmann as Associate Vice Chancellor – Facilities Design and Construction, San Diego campus

Recommendation

The Committee recommends approval of the following actions for the following individuals at the Los Angeles and San Diego campuses:

- (1) Lubbe Levin, Donald Larson, and Maxwell Boone Hellmann be reclassified from Senior Management Group (SMG) to Management and Senior Professional (MSP) status. This action includes moving from their current Senior Leadership Compensation Group (SLCG) rates to an

appropriate MSP salary grade in the MSP structure in effect at their respective campuses.

- (2) Concurrent with this action, Ms. Levin's, Mr. Larson's and Mr. Hellmann's participation in and contributions to the Senior Management Supplemental Benefit Program will terminate. As an exception to policy, senior management life insurance and executive salary continuation for disability will continue for a period not to exceed five years or until an incumbent no longer holds his or her current position, whichever occurs first. Per policy, all other standard pension and health and welfare benefits will continue in effect.
- (3) All other employment, compensation, benefits, and other human resources-related actions will be governed by the MSP personnel policies.
- (4) The above actions to be effective upon approval.

Recommended Compensation – LUBBE LEVIN

Effective Date: Upon approval

Base Salary: \$200,000

Total Cash Compensation: \$200,000

Grade Level: MSP grade level to be determined by the campus

Personnel Program: Management and Senior Professional (MSP)

Funding Source: State General Funds

Budget &/or Prior Incumbent Data

Base Salary: \$200,000

Senior Management Supplemental Benefit (five percent of base salary):
\$10,000

Total Cash Compensation: \$210,000

Grade Level: SLCG Grade 106

(Minimum \$154,200, Midpoint \$195,200, Maximum \$236,100)

Personnel Program: Senior Management Group (SMG)

Funding Source: State General Funds

Recommended Compensation – DONALD LARSON

Effective Date: Upon approval

Base Salary: \$159,300

Total Cash Compensation: \$159,300

Grade Level: MSP grade level to be determined by the campus

Personnel Program: Management and Senior Professional (MSP)

Funding Source: State General Funds

Budget &/or Prior Incumbent Data

Base Salary: \$159,300

Senior Management Supplemental Benefit (three percent of base salary):
 \$4,779
Total Cash Compensation: \$164,079
Grade Level: SLCG Grade 104
 (Minimum \$123,800, Midpoint \$155,600, Maximum \$187,500)
Personnel Program: Senior Management Group (SMG)
Funding Source: State General Funds

Recommended Compensation – MAXWELL BOONE HELLMANN

Effective Date: Upon approval
Base Salary: \$197,600
Total Cash Compensation: \$197,600
Grade Level: MSP grade level to be determined by the campus
Personnel Program: Management and Senior Professional (MSP)
Funding Source: Building Project funds

Budget &/or Prior Incumbent Data

Base Salary: \$197,600
Senior Management Supplemental Benefit (three percent of base salary):
 \$5,928
Total Cash Compensation: \$203,528
Grade Level: SLCG Grade 105
 (Minimum \$138,200, Midpoint \$174,300, Maximum \$210,400)
Personnel Program: Senior Management Group (SMG)
Funding Source: Building Project funds

The compensation described above shall constitute the University's total commitment until modified by the Regents and shall supersede all previous oral and written commitments. Compensation recommendations and final actions will be released to the public as required in accordance with the standard procedures of the Board of Regents.

Submitted by: UCLA Chancellor Block and UCSD Chancellor Fox
Reviewed by: President Yudof
 Committee on Compensation Chair Varner
 Office of the President, Human Resources

B. ***Interim Re-slotting, Appointment of and Compensation for Suresh Subramani as Senior Vice Chancellor – Academic Affairs, San Diego Campus***

Background to Recommendation

The San Diego campus is requesting approval for the interim re-slotting, appointment of and compensation for Suresh Subramani as Senior Vice Chancellor – Academic Affairs (SVCAA). This request is in response to the

campus' plan to make an announcement regarding the selected candidate immediately following approval in view of the urgent need for multi-year strategic planning as the campus prepares for the anticipated significant budget reduction. While Mr. Subramani has been serving admirably in the Acting SVCAA role, the magnitude of the budgetary response will require substantial programmatic changes over several years that would be difficult for someone in an acting capacity to implement. The campus requests re-slotting of the position from SLCG Grade 111 to SLCG Grade 112 and proposes an annual base salary of \$350,000.

Following Paul Drake's retirement from the SVCAA position, Mr. Subramani was appointed as Acting Senior Vice Chancellor – Academic Affairs to provide continuity of leadership and has been serving in this capacity since October 1, 2010. After an extensive national search, Suresh Subramani was selected as the most qualified person to fill the role on an ongoing basis. Mr. Subramani is a Distinguished Professor of Molecular Biology, and before his Acting SVCAA appointment, held a 50 percent academic administrator appointment as Associate Vice Chancellor for Academic Planning and Resources (AVC-AP&R) which he assumed February 1, 2009. As AVC-AP&R, Mr. Subramani was a key advisor to the Senior Vice Chancellor on a wide range of issues including overseeing the implementation of new campus academic programs and initiatives, providing leadership in the planning of resources to meet programmatic and capital program goals, developing the State Capital Improvement Plan, and overseeing the use of technology-enhanced instruction. He has been a member of the UC San Diego faculty since 1981 and is recognized as an outstanding scholar with a wealth of administrative experience, having also served as Chair of the Department of Biology prior to its reorganization as a Division, Associate Dean, and Interim Dean of the Division of Biological Sciences.

Based on the search experience, the market value of the position, internal comparisons, and Mr. Subramani's qualifications, the campus requests continued approval of an annual base salary of \$350,000. The proposed salary results in no change to Mr. Subramani's current annual base salary. In addition, the proposed salary is 9.2 percent below the midpoint of SLCG Grade 112 (Minimum \$298,900, Midpoint \$385,300, Maximum \$471,500) and 5.8 percent below the market median of \$371,623. Several of the deans who report to this position earn salaries ranging from \$326,100 to \$342,800. This position is funded 100 percent from UC general funds provided by the State.

Recommendation

The Committee recommends approval of the following items in connection with the interim re-slotting, appointment of and compensation for Suresh Subramani as Senior Vice Chancellor – Academic Affairs, San Diego campus:

- (1) Interim re-slotting of the Senior Vice Chancellor – Academic Affairs

position from SLCG Grade 111 (Minimum \$267,700, Midpoint \$344,000, Maximum \$420,100) to SLCG Grade 112 (Minimum \$298,900, Midpoint \$385,300, Maximum \$471,500).

- (2) Per policy, an annual base salary of \$350,000.
- (3) This appointment is at 100 percent time and effective upon approval.

Recommended Compensation

Effective Date: Upon approval

Base Salary: \$350,000

Total Cash Compensation: \$350,000

Grade Level: SLCG Grade 112

(Minimum \$298,900, Midpoint \$385,300, Maximum \$471,500)

Median Market Data: \$371,623

Percentage Difference from Market: 5.8 percent below market

Funding Source: UC general funds provided by the State

Budget &/or Prior Incumbent Data

Title: Acting Senior Vice Chancellor – Academic Affairs

Base Salary: \$350,000

Total Cash Compensation: \$350,000

Grade Level: SLCG Grade 111

(Minimum \$267,700, Midpoint \$344,000, Maximum \$420,100)

Funding Source: UC general funds provided by the State

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance and executive salary continuation for disability).
- 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, annual automobile allowance of \$8,916.

The compensation described above shall constitute the University's total commitment until modified by the Regents and shall supersede all previous oral and written commitments. Compensation recommendations and final actions will be released to the public as required in accordance with the standard procedures of the Board of Regents.

Submitted by: UCSD Chancellor Fox

Reviewed by: President Yudof

Committee on Compensation Chair Varner

Office of the President, Human Resources

C. *Appointment of and Total Compensation for Donald J. DePaolo as Associate Laboratory Director, Energy and Environmental Sciences, Lawrence Berkeley National Laboratory*

Background to Recommendation

Approval is requested for the appointment of and total compensation of \$334,000 for Donald J. DePaolo as Associate Laboratory Director, Energy and Environmental Sciences, Lawrence Berkeley National Laboratory (LBNL).

Reporting to the Laboratory Director, the Associate Laboratory Director, Energy and Environmental Sciences, is charged with coordination across organizational lines at the Laboratory in spearheading new, large-scale scientific initiatives, assisting the Laboratory Director and Deputy Director in strategic planning exercises, serving as an exemplar of the Laboratory's culture of excellence in safety and in science, facilitating multidisciplinary collaboration within the Laboratory and across the broader research community, helping to raise the public profile of LBNL and the U.S. Department of Energy's (DOE) National Laboratory system, and representing the Laboratory before senior program officials in the DOE Office of Science. The Associate Laboratory Director, Energy and Environmental Sciences will work collaboratively with other associate laboratory directors, the Deputy Laboratory Director, the Laboratory Director, and staff to accomplish these missions.

In September 2009, the former Associate Laboratory Director, Energy and Environmental Sciences, Arun Majumdar, was nominated by President Obama to be the first Director of the DOE Advanced Research Projects Agency – Energy. In June 2010, Laboratory Director A. Paul Alivisatos selected Donald J. DePaolo to serve as Acting Associate Laboratory Director – Faculty, Energy and Environmental Sciences while a determination was made to permanently fill the position. Associate laboratory directors are appointed by the Laboratory Director typically from among the scientific division directors and large facility directors, and retain all divisional leadership responsibilities while assuming this additional senior leadership position. Selections are made based on the incumbent's experience and reputation at the Laboratory and across the DOE community, demonstrated excellence in pioneering science, and for experience and future promise in managing large-scale initiatives aligned with the strategic vision of LBNL.

In addition to his role as Acting Associate Laboratory Director – Faculty, Energy and Environmental Sciences, Donald J. DePaolo has been Scientific Division Director – Faculty of the Earth Sciences Division since October 1, 2007, where he leads the Division in pursuit of its mission to address local, national, and global problems focusing on fundamental, cross-cutting science common to many energy resource problems and environmental issues. He has been a professor at UC Berkeley since 1988, and is currently the Class of 1951 Professor of

Geochemistry in UC Berkeley's Department of Earth and Planetary Sciences. Mr. DePaolo established and directs the Center for Isotope Geochemistry, a joint research facility of LBNL and UC Berkeley. In spring 2009, he also became the Director of the Center for Nanoscale Control of Geologic CO₂ (a DOE Energy Frontier Research Center). He has authored numerous publications and is the recipient of numerous awards. He served on the DOE Earth Sciences Council Office of Basic Energy Sciences/Geosciences Program from 1996 to 2007, serving as Program Chair from 2000 to 2007. Currently he serves on the Berkeley Geochronology Board of Directors. He is widely respected by the Laboratory, DOE, campus, and scientific community. This experience makes him very qualified to assume this position.

Recommendation

The Committee recommends approval of the following items in connection with the appointment of and total compensation for Donald J. DePaolo as Associate Laboratory Director, Energy and Environmental Sciences, Lawrence Berkeley National Laboratory:

Per policy, total cash compensation of \$334,000 (LBNL Job Code 198.3, Salary Grade N17: Minimum \$272,280, Midpoint \$349,812, Maximum \$427,344) comprised of \$330,000 annual base salary paid by Lawrence Berkeley National Laboratory as Associate Laboratory Director, Energy and Environmental Sciences, Lawrence Berkeley National Laboratory, and \$4,000 annual stipend paid by UC Berkeley as Director of the Center for Isotope Geochemistry. This amount reflects a 4.96 percent increase to his current total annualized compensation of \$318,220.

The source of funds for payment of \$330,000 is from DOE funds as provided under the University's contract with DOE. The \$4,000 annual stipend paid by UC Berkeley is from State funds.

Recommended Compensation

Effective Date: Upon approval

Total Cash Compensation: \$334,000

Grade Level: N17, Job Code 198.3

(Minimum \$272,280, Midpoint \$349,812, Maximum \$427,344)

Funding Source: DOE funds (\$330,000) and State funds (\$4,000 annual stipend)

Budget &/or Prior Incumbent Data

Title: Acting Associate Laboratory Director – Faculty, Energy and Environmental Sciences

Total Cash Compensation: \$318,220

Funding Source: DOE funds (\$314,220) and State funds (\$4,000 annual stipend)

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance and executive salary continuation for disability).
- 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 or written commitments. Compensation recommendations and final actions will be released to the public as required in accordance with the standard procedures of the Board of Regents.

Submitted by: Laboratory Director Alivisatos
Reviewed by: President Yudof
Committee on Compensation Chair Varner
Office of the President, Human Resources

2. **MERIT INCREASE FOR A. PAUL ALIVISATOS AS DIRECTOR, LAWRENCE BERKELEY NATIONAL LABORATORY**

Background to Recommendation

A merit increase of 3.2 percent for Lawrence Berkeley National Laboratory Director A. Paul Alivisatos is being presented for approval. This request is based on Mr. Alivisatos' outstanding performance in the role of Director, and the proposed merit increase is within the four percent budget allocation for salaries approved by the U.S. Department of Energy (DOE) for federal fiscal year 2011. As provided under the University's management and operating contract with DOE, the source of funds for payment of this compensation item is DOE funds. Any compensation amount approved by the Regents which exceeds the compensation amount approved by DOE will be paid from the fee earned under the University's management and operating contract.

Mr. A. Paul Alivisatos became LBNL's seventh Director in November 2009. After soliciting and receiving input from across the Laboratory, he quickly established and has been actively pursuing five strategic priorities to steward LBNL into the future:

- Planning for a *Next-Generation Light Source*, the first facility capable of producing attosecond x-ray pulses, the timescale needed to capture the movement of electrons.
- Implementing *Carbon-Cycle 2.0 (CC2.0)*, a broad, multidisciplinary initiative to help restore balance in the Earth's carbon cycle through energy efficiency, renewable energy development, and carbon capture and storage.

- *Space Planning and Site Development*, a set of near- and intermediate-term steps to address growing space constraints at LBNL and to improve research synergies through greater co-location.
- *Safe and Efficient Operations*, institutionalizing a strong safety culture throughout LBNL, and conducting peer reviews of operations organizations to identify opportunities to realize cost savings and best practices.
- Providing for *Excellent Community Relations*, proactive, broad-based engagement with local community groups, officials, schools, and the general public.

DOE recognized the responsive and accountable leadership of Mr. Alivisatos and his leadership team during fiscal year 2010, as evidenced by its performance evaluation against the notable outcomes identified in the LBNL Performance Evaluation and Measurement Plan for fiscal year 2010.

The salary for the Director of the Laboratory is funded directly from DOE funds. The salary is set at a level that reflects overall performance of LBNL as set forth in the requirements of the management and operating contract between the University and the DOE, the Director's individual performance, alignment with the market, and internal salary relationships with Laboratory personnel.

Recommendation

The Committee recommends approval of the following items in connection with the merit increase for A. Paul Alivisatos as Director, Lawrence Berkeley National Laboratory:

- A. Per policy, merit increase of \$13,349 (3.2 percent). The merit increase plus the base salary of \$417,155 results in a total annual base salary of \$430,504. Director Alivisatos will continue to be slotted in SLCG Grade 112 (Minimum \$298,900, Midpoint \$385,300, Maximum \$471,500).
- B. The effective date of this action is retroactive to October 1, 2010, pending approval.

Recommended Compensation

Effective Date: October 1, 2010

Annual Base Salary: \$430,504

Total Cash Compensation: \$430,504

Grade Level: SLCG Grade 112

(Minimum \$298,900, Midpoint \$385,300, Maximum \$471,500)

Market Median Data: \$450,900

Percentage Difference from Market Median: 4.52 percent below market

Funding Source: DOE funds

Budget &/or Prior Incumbent Data**Annual Base Salary:** \$417,155**Total Cash Compensation:** \$417,155**Grade Level:** SLCG Grade 112

(Minimum \$298,900, Midpoint \$385,300, Maximum \$471,500)

Funding Source: DOE Funds

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance and executive salary continuation for disability).
- Per policy, annual automobile allowance of \$8,916.
- 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.

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