

Office of the Secretary of The Regents  
September 21, 2006

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 Chairman of the Board, the Chair of the Committee on Compensation, and the President approved the following recommendations:

(1) ***Appointment Salary for Keith E. Alley as Executive Vice Chancellor and Provost, Merced Campus***

It is recommended that an appointment salary of \$230,000 (below the midpoint of Grade 108; range minimum \$182,200, midpoint \$231,900, maximum \$281,700) be approved for Keith E. Alley as Executive Vice Chancellor and Provost, Merced campus, 100 percent time, effective July 1, 2006 through June 30, 2008.

Additional items of compensation include:

- Per policy, accrual of sabbatical credits as a member of the faculty
- Per policy, annual Automobile Allowance of \$8,916 or a leased auto
- Per policy, 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

[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. All compensation (as defined in The Regents' 1993 Principles for Review of Executive Compensation) in this recommendation will be released to the public immediately following execution.]

(2) ***Appointment Salary for John C. Hemminger as Dean–School of Physical Sciences, Irvine Campus***

It is recommended that an appointment salary of \$218,900 (third quartile of SLCG Grade 107; range minimum \$163,200, midpoint \$207,100, maximum \$251,000) be approved for John C. Hemminger as Dean–School of Physical Sciences, Irvine campus, 100 percent time, effective July 1, 2006.

Additional items of compensation include:

- 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.

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(3) ***Appointment Salary for Ann Madden Rice as Chief Executive Officer–Davis Medical Center, Davis Campus***

It is recommended that an appointment salary of \$495,000 (minimum of Grade 117; range minimum \$494,700, midpoint \$643,100, maximum \$791,600) be approved for Ann Madden Rice as Chief Executive Officer–UC Davis Medical Center, Davis campus, 100 percent time, effective August 1, 2006.

Additional items of compensation include:

- Per policy, a 5 percent monthly contribution to the Senior Management Supplemental Benefit Program
- Per policy, an annual automobile allowance of \$8,916 or a leased vehicle
- Per policy, eligibility for a Mortgage Origination Program loan
- Per policy, participation in the Clinical Enterprise Management Recognition Program (15 percent target with up to 20 percent maximum payout)
- 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

- Relocation allowance of \$75,000 (15.2 percent) to be paid in two annual payments with a four-year service requirement and payback provision of 25 percent for each year of uncompleted service

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(4) ***Appointment Salary for Margarita M. Baggett as Chief Patient Care Services Officer, San Diego Medical Center, San Diego Campus***

It is recommended that an appointment salary of \$232,000 (SLCG Grade 108; range minimum \$182,200, midpoint \$231,900, maximum \$281,700) be approved for Margarita M. Baggett as Chief Patient Care Services Officer, University of California, San Diego Medical Center, San Diego campus, 100 percent time, effective July 24, 2006.

Additional items of compensation are:

- Per policy, participation in the Clinical Enterprise Management Recognition Plan with a 20 percent of base opportunity
- Per policy, 5 percent Senior Management Supplemental Benefit Program contribution
- Standard Pension and Health and Welfare Benefits and standard Senior Management Benefits, including Senior Manager Life Insurance, Executive Business Travel Insurance, Executive Salary Continuation for Disability, eligible for Sabbatical Leave

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(5) ***Appointment Salary for Bruce Margon as Vice Chancellor–Research, Santa Cruz Campus***

It is recommended that an appointment salary of \$220,000 (Grade 107; range minimum \$163,200, midpoint \$207,100, maximum \$251,000) be approved for Bruce Margon as Vice Chancellor-Research, 100 percent time, Santa Cruz campus, effective on or about September 1, 2006.

Additional items of compensation include:

- Per policy, eligibility for a Mortgage Origination Program loan for an amount of up to \$1,000,000
- Per policy, Standard Senior Management Benefits, including Senior Manager Life Insurance, Executive Business Travel Insurance, Executive Salary Continuation for Disability, eligible for Sabbatical Credits
- Per policy, relocation allowance of \$55,000 (25.0 percent) to be paid over a period of four years with a contingent repayment schedule
- Per policy, reimbursement of moving expenses up to a maximum of \$20,000.

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(6) ***Appointment Salary for Keith E. Brant as Vice Chancellor–External Relations, San Diego Campus***

It is recommended that an appointment salary of \$230,000 be approved for Keith E. Brant as Vice Chancellor–External Relations, San Diego Campus. This appointment is at 100 percent time and is effective September 1, 2006. This position is slotted on an interim basis at SLCG Grade 109; range minimum \$203,400, midpoint \$259,800, maximum \$316,100. The San Diego campus conducted a national search to fill the position of Vice Chancellor–External Relations.

Additional items of compensation are:

- Per policy, annual automobile allowance of \$8,916 or leased automobile
- Per policy, 5 percent Senior Management Supplemental Benefit Program contribution
- Per policy, eligibility for a Mortgage Origination Program loan

- Standard Pension and Health and Welfare Benefits and standard Senior Management Benefits, including Senior Manager Life Insurance, Executive Business Travel Insurance, Executive Salary Continuation for Disability

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(7) ***Appointment Salary for J. Shannon O'Kelley, Associate Director, Operations–Clinical Services, UCLA Hospital System, Los Angeles Campus***

It is recommended that an appointment salary of \$215,000 be approved for J. Shannon O'Kelley as Associate Director, Operations–Clinical Services, UCLA Hospital System, Los Angeles campus. This appointment is at 100 percent time and is effective September 1, 2006. This position is slotted on an interim basis at SLCG Grade 108; minimum \$182,200, midpoint \$231,900, maximum \$281,700. The Los Angeles campus conducted a search to fill the position of Associate Director, Operations–Clinical Services.

Additional items of compensation include:

- Standard Pension and Health and Welfare Benefits
- Per policy, relocation allowance of \$53,750 (25.0 percent) to be paid over a period of four years
- Per policy, participation in the Clinical Enterprise Management Recognition Program with a 20 percent of base opportunity
- As an exception to policy, two house-hunting trips by coach class for Mr. O'Kelley and his spouse
- As an exception to policy, temporary housing assistance of up to six months, not to exceed \$24,000 (Campus advises that it may take up to six months to find suitable housing in the Los Angeles area)

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(8) ***Appointment Salary for Paul H. Watkins, Associate Director, Support Services, UCLA Hospital System, Los Angeles Campus***

It is recommended that an appointment salary of \$185,000 be approved for Paul H. Watkins as Associate Director, Support Services, UCLA Hospital System, Los Angeles campus. This appointment is at 100 percent time and is effective no later than August 1, 2006. This position is slotted on an interim basis at SLCG Grade 106; minimum \$146,100, midpoint \$184,900, maximum \$223,700. The Los Angeles campus conducted a search to fill the position of Associate Director, Support Services.

Additional items of compensation include:

- Standard Pension and Health and Welfare Benefits
- Per policy, relocation allowance of \$46,250 (25 percent) to be paid over a period of four years
- Per policy, participation in the Clinical Enterprise Management Recognition Program with a 20 percent of base opportunity
- As an exception to policy, two house-hunting trips by coach class for Mr. Watkins and his spouse
- As an exception to policy, temporary housing assistance of up to six months, not to exceed \$24,000 (Campus advises that it may take up to six months to find suitable housing in the Los Angeles area)

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(9) ***Appointment Salary for William J. Ziomek as Investment Officer, Externally Managed Investments, Office of the Treasurer***

It is recommended that an appointment salary of \$181,125 be approved for William Ziomek as Investment Officer, Externally Managed Investments, Office of the Treasurer. This appointment is at 100 percent time and is effective upon Regental approval. This position is slotted on an interim basis at SLCG Grade 106; range minimum \$146,100, midpoint \$184,900, maximum \$223,700.

Additional items of compensation include:

- Eligibility to participate in the University of California Office of the Treasurer Annual Incentive Plan with an incentive target of 35 percent of base salary, to a maximum of 70 percent.
- 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.

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- B. The Chairman of the Board, the Chair of the Committee on Grounds and Buildings, and the Chairman of the Board approved the following recommendation:

***Amendment of the Budget for Capital Improvements and the Capital Improvement Program and Amendment of External Financing for Sierra Terraces Housing Project, Merced Campus***

It was recommended that:

- (1) The 2006 07 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:

**Deletions shown by strike out, additions by underscore**

Merced: Sierra Terraces Housing Project – preliminary plans, working drawings, construction, and equipment – ~~\$25,950,000~~ \$31,466,000 to be funded from external financing.

- (2) The President be authorized to obtain external financing not to exceed ~~\$25,950,000~~ \$31,466,000 to finance the Merced Sierra Terraces Housing Project, subject to the following conditions:
- (a) Interest only, based on amount drawn down, shall be paid on the outstanding balance during the construction period.
  - (b) As long as the debt is outstanding, University of California Housing System fees for the Merced campus shall be established at levels sufficient

to provide excess net revenues sufficient to pay the debt service and to meet the related requirements of the proposed funding.

- (c) The general credit of The Regents shall not be pledged.
- (3) The Officers of The Regents be authorized to provide certification to the lender that interest paid by The Regents is excluded from gross income for purposes of federal taxation under existing law.
- (4) The Officers of The Regents be authorized to execute all documents necessary in connection with the above.

Anne Shaw