

The Regents of the University of California

COMMITTEE ON COMPENSATION

November 20, 2008

The Committee on Compensation met on the above date at UCSF–Mission Bay Community Center, San Francisco.

Members present: Regents Blum, Cole, Hopkinson, Johnson, Kozberg, Pattiz, Varner, and Yudof; Advisory members Stovitz and Croughan

In attendance: Regents De La Peña, Gould, Hotchkis, Island, Makarechian, Marcus, Ruiz, Schilling, Scorza, Shewmake, and Wachter, Regents-designate Bernal and Nunn Gorman, Faculty Representative Powell, Secretary and Chief of Staff Griffiths, Associate Secretary Shaw, General Counsel Robinson, Chief Investment Officer Berggren, Chief Compliance and Audit Officer Vacca, Interim Provost Grey, Executive Vice Presidents Darling and Lapp, Senior Vice President Stobo, Vice Presidents Beckwith, Dooley, Foley, Lenz, and Sakaki, Chancellors Birgeneau, Block, Blumenthal, Fox, Kang, White, and Yang, and Recording Secretary Johns

The meeting convened at 11:15 a.m. with Committee Chair Varner presiding.

1. **PUBLIC COMMENT**

There were no speakers wishing to address the Committee.

2. **APPROVAL OF MINUTES OF PREVIOUS MEETING**

Upon motion duly made and seconded, the minutes of the meeting of September 18, 2008 were approved.

3. **APPROVAL OF INDIVIDUAL COMPENSATION ACTIONS AS DISCUSSED IN CLOSED SESSION**

The President recommended:

A. ***Interim Slotting for Executive Director – Service Line Administration, Medical Center, San Francisco Campus***

Approval of the following interim slotting for Executive Director – Service Line Administration, Medical Center, San Francisco campus:

- (1) Interim slotting at SLCG Grade 108 (Minimum \$192,300, Midpoint \$244,900, Maximum \$297,400) as recommended by Mercer Human Resource Consulting.

- (2) Effective November 1, 2008.

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 approval by the Regents.

B. *Stipend for Janet Broughton as Acting Executive Dean – College of Letters and Science, Berkeley Campus*

Approval of the following items in connection with a stipend for Janet Broughton as Acting Executive Dean – College of Letters and Science, Berkeley campus:

- (1) Per policy, an administrative stipend of \$32,600 (16.5 percent). The stipend, plus her \$197,000 salary as dean, result in total compensation of \$229,600 (SLCG Grade 108: Minimum \$192,300, Midpoint \$244,900, Maximum \$297,400).
- (2) No adjustments will be made to the stipend if adjustments are made to the decanal salary.
- (3) This stipend is effective January 1, 2009 through December 31, 2009.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits and standard senior management benefits (including senior management life insurance, executive business travel insurance and executive salary continuation for disability).
- Per policy, accrual of sabbatical credits as a member of faculty.
- Per policy, ineligible for participation in the Senior Management Supplemental Benefit Program due to dual appointment as a tenured faculty member.

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 approval by the Regents.

C. *Stipend for Deborah A. Nolan as Acting Dean – Division of Mathematical and Physical Sciences, College of Letters and Science, Berkeley Campus*

Approval of the following items in connection with a stipend for Deborah A.

Nolan as Acting Dean – Division of Mathematical and Physical Sciences, College of Letters and Science, Berkeley campus:

- (1) Per policy, an administrative stipend of \$82,706 (62.7 percent). The stipend plus the adjusted faculty salary of \$131,994 result in total compensation of \$214,700 (SLCG Grade 109: Minimum \$214,700, Midpoint \$274,300, Maximum \$333,700). This stipend amount is consistent with new SMG policy that dictates that appointment salaries will be within the salary range
- (2) If an adjustment to the base faculty salary is made prior to the termination of this acting appointment, the stipend will be adjusted so as to maintain the total compensation at the minimum of the SLCG Grade 109 salary range. Also, if there is an adjustment made to the SLCG Grade Structure prior to the termination of this acting appointment, the stipend will be adjusted so as to maintain the total compensation at the minimum of the SLCG Grade 109 salary range.
- (3) This appointment is at 100 percent time and is effective January 1, 2009 through December 31, 2009.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits.
- Per policy, accrual of sabbatical credits as a member of faculty.

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 approval by the Regents.

D. ***Appointment Salary for David T. Feinberg, M.D., as Associate Vice Chancellor and Chief Executive Officer for the Hospital System, Los Angeles Campus***

Approval of the following items in connection with the appointment of David T. Feinberg, M.D., as Associate Vice Chancellor and Chief Executive Officer (CEO) for the Hospital System, Los Angeles campus:

- (1) As an exception to policy, a 179 percent increase (\$474,600) in base salary, for a new annual base salary of \$739,700 at SLCG Grade 118 (Minimum \$585,000, Midpoint \$760,400, Maximum \$935,900). Total cash compensation as a result of this action will increase by 59.7 percent when compared to Dr. Feinberg's current salary, stipend and potential Clinical Enterprise Management Recognition Plan payout.

- (2) This appointment is at 100 percent time and will become effective December 1, 2008.
- (3) Per policy, participation in the Clinical Enterprise Management Recognition Plan (CEMRP) with a maximum potential bonus of 30 percent (\$221,910).

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 business travel insurance).
- Per policy, ineligible to participate in executive salary continuation for disability benefit due to not yet attaining five years in the Senior Management Group program.
- Per policy, ineligible to participate in the Senior Management Supplemental Benefit Program due to tenured faculty position.
- Per policy, automobile allowance not to exceed \$8,916 per annum.
- Per policy, accrual of sabbatical credits as a member of faculty.

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 approval by the Regents.

E. ***Correction of Administrative Stipend for Danielle Blanc as Acting Administrative Director – Clinical Practices, Department of Surgery, School of Medicine, San Francisco Campus***

Retroactive approval of the following compensation for Danielle Blanc as Acting Administrative Director – Clinical Practices, Department of Surgery, School of Medicine, San Francisco campus. Ms. Blanc assumed the additional duties on April 28, 2008. However, it recently came to the attention of the UCSF campus Human Resources department that the stipend combined with other compensation required Regental approval since it was over \$205,000:

- (1) Per Staff PPSM policy, a 20.0 percent (\$30,105) stipend from April 28, 2008, through June 30, 2008, increasing her current annual salary of \$150,524 to \$180,629 (MSP Grade 4: Minimum \$95,100, Midpoint \$126,100, Maximum \$157,100). This is an exception to policy which allows for administrative stipends up to 15.0 percent of base salary. Additionally, the stipend escalates the base salary above the range maximum. This appointment is at 100 percent time.
- (2) Effective retroactive to April 28, 2008 and ending June 30, 2008.

Additional items of compensation include:

- Per policy, standard pension and health and welfare benefits.
- Per policy, continued eligibility to participate in the School of Medicine Management Incentive Plan (SOM MIP) with a maximum potential payout of up to 20 percent of base salary (\$30,105).

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 approval by the Regents.

F. ***Salary Adjustment for J. Thomas Rosenthal, M.D., as Chief Medical Officer for the Hospital System, Los Angeles Campus***

Approval of the following salary adjustment for J. Thomas Rosenthal, M.D., as Chief Medical Officer for the Hospital System, Los Angeles campus:

- (1) As an exception to policy, a base salary increase of \$191,900 (80 percent) to the current annual base salary and elimination of Dr. Rosenthal's Health Sciences Compensation Plan compensation of the same amount (\$191,900). This proposal results in an annual base salary of \$431,500, (SLCG Grade 113: Minimum \$333,900, Midpoint \$431,500, Maximum \$529,100).
- (2) Per policy, eligibility for participation in the Clinical Enterprise Management Recognition Plan (CEMRP) with a maximum payout of up to 25 percent of base salary (\$107,875).
- (3) Effective October 1, 2008.

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 business travel insurance).
- Per policy, ineligible to participate in executive salary continuation for disability benefit due to not yet attaining five years in the Senior Management Group program.
- Per policy, ineligible to participate in the Senior Management Supplemental Benefit Program due to tenured faculty position.
- Per policy, accrual of sabbatical credits as a member of faculty.

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 approval by the Regents.

[Background material was mailed to Regents in advance of the meeting, and copies are on file in the Office of the Secretary and Chief of Staff.]

Upon motion duly made and seconded, the Committee approved the President's recommendations and voted to present them to the Board.

4. **APPROVAL OF ANALYSIS OF RESTRUCTURING, VOLUNTARY SEPARATION PROGRAM AND APPROVAL OF PAYMENTS FOR CERTAIN PERSONNEL AT THE OFFICE OF THE PRESIDENT AS DISCUSSED IN CLOSED SESSION**

The President recommended approval of the following severance payment for Linda M. Williams as Associate President, Office of the President:

- A. Payment of \$100,202, consistent with the Voluntary Separation Program parameters.

The compensation described above shall constitute the University's total commitment under the Voluntary Separation Program (VSP) until modified by the Regents and shall supersede all previous oral or written commitments regarding the VSP.

[Background material was mailed to Regents in advance of the meeting, and copies are on file in the Office of the Secretary and Chief of Staff.]

Upon motion duly made and seconded, the Committee approved the President's recommendation and voted to present it to the Board.

5. **APPROVAL OF DEFERRED COMPENSATION PLAN FOR JEFF TEDFORD AS HEAD FOOTBALL COACH, BERKELEY CAMPUS AS DISCUSSED IN CLOSED SESSION**

The President recommended that the President be delegated authority to:

- A. Approve and implement a deferred compensation program ("Plan") that would allow employer contributions to be made to the Plan in lieu of paying a portion of his current cash compensation to Jeff Tedford, Head Football Coach, Berkeley campus.

This delegation will be contingent upon the design of the Plan being compliant with existing law and regulations governing deferred compensation programs for public employers and obtaining an opinion from qualified external tax and legal

counsel retained by the University to provide an independent assessment of the proposal.

- B. Approve and amend Coach Tedford's employment contract to the extent necessary to authorize such employer contributions to be made to the Plan in lieu of being paid to Coach Tedford as current cash compensation.

The amendments to the compensation described above shall constitute the University's total commitment under this delegation until modified and shall supersede all previous oral and written commitments. The recommendation will be released to the public prior to action by the Committee; final action will be released to the public upon approval by the Regents.

[Background material was mailed to Regents in advance of the meeting, and copies are on file in the Office of the Secretary and Chief of Staff.]

Upon motion duly made and seconded, the Committee approved the President's recommendation and voted to present it to the Board.

6. **BI-MONTHLY TRANSACTION MONITORING REPORT – NOVEMBER 2008**

[Background material was mailed to Regents in advance of the meeting, and copies are on file in the Office of the Secretary and Chief of Staff.]

The Bi-Monthly Transaction Monitoring Report was submitted to the Committee. There was no discussion.

7. **APPROVAL OF COMPENSATION FOR SENIOR MANAGEMENT GROUP PARTICIPANTS IN THE ANNUAL INCENTIVE PLAN FOR THE OFFICE OF THE TREASURER FOR FISCAL YEAR 2007-08 AS DISCUSSED IN CLOSED SESSION**

The President recommended that awards under the Annual Incentive Plan (Plan) for the Office of the Treasurer for two eligible Senior Management Group (SMG) participants receiving awards totaling \$138,550 be approved. In accordance with the terms and conditions of the Plan, approved award amounts will be paid out incrementally over a three-year period. Following is a list of participants and the proposed payout amounts.

Participant	Position	Base Salary ¹	Target AIP as %	Target as \$	Award as % of Base	Total Award	Total Cash Comp
Melvin Stanton	Assoc. CIO	\$303,850	60%	\$182,310	18%	\$54,690	\$358,540
Randall Wedding	Sr. MD, Fixed Income	\$303,850	60%	\$182,310	28%	\$83,860	\$387,710
Totals:		\$607,700	60%	\$364,620	15%	\$138,550	\$746,250

In accordance with the approval authority guidelines approved by the Regents at their September 2008 meeting, and with the new SMG Salary and Appointment Policy, also

¹ Actual salary earned during the 2008 fiscal year.

approved by the Regents at their September 2008 meeting, only those Plan participants with SMG status are presented for Regental approval. Total payouts under the Plan for the fiscal year include 28 eligible participants with recommended awards totaling \$1,780,250.

[Background material was mailed to Regents in advance of the meeting, and copies are on file in the Office of the Secretary and Chief of Staff.]

Upon motion duly made and seconded, the Committee approved the President's recommendation and voted to present it to the Board.

8. APPROVAL OF COMPENSATION FOR SENIOR MANAGEMENT GROUP PARTICIPANTS IN THE CLINICAL ENTERPRISE MANAGEMENT RECOGNITION PLAN FOR FISCAL YEAR 2007-08 AS DISCUSSED IN CLOSED SESSION

The President recommended that awards under the Clinical Enterprise Management Recognition Plan (Plan), as proposed by the medical centers for 42 eligible Senior Management Group (SMG) participants and totaling \$1,871,584, be approved.

In accordance with the approval authority guidelines approved by the Regents at their September 2008 meeting, and with the new SMG Salary and Appointment Policy, also approved by the Regents at their September 2008 meeting, only those Plan participants with SMG status are presented for Regental approval. Total payouts under the Plan for the fiscal year include 66 eligible participants with recommended awards totaling \$2,599,241.

Last Name	First Name	Title	Base Salary	Award Amount	Award as % of Base	Total Cash Compensation
DAVIS CAMPUS						
Duruiseau	Shelton	Chief Pt. & Admin. Services Officer	\$265,500	\$38,220	14.4%	\$303,720
Madden Rice	Anne	Director/CEO	\$561,200	\$89,700	16.0%	\$650,900
McGowan	Bill	Chief Financial Officer	\$395,800	\$55,400	14.0%	\$451,200
Minear	Michael	Chief Information Services Officer	\$310,000	\$32,000	10.3%	\$342,000
Musallam	Nabil	Chief Ambulatory Care Officer	\$288,200	\$40,300	14.0%	\$328,500
Pomeroy ²	Claire	Dean/Vice Chancellor	\$468,800	\$84,380	18.0%	\$553,180
Robinson	Carol	Chief Pt. Care Services Officer	\$248,400	\$39,400	15.9%	\$287,800
Siefkin	Allan	Exec Dir., Clinical Affairs	\$320,850	\$33,080	10.3%	\$353,930

² The Davis campus has confirmed that approved bonuses in prior years have been paid through the "Z" component of the Health Sciences Compensation Plan in accordance with those plan parameters. Dr. Pomeroy's bonus payment will not be reflected in this request in future years; however she will continue to work closely with hospital leadership to set and achieve institutional goals.

Last Name	First Name	Title	Base Salary	Award Amount	Award as % of Base	Total Cash Compensation
IRVINE CAMPUS						
Grosser	Joy	Chief Information Officer	\$301,600	\$37,599	12.5%	\$339,199
King	Ron	Chief Financial Officer	\$431,500	\$60,518	14.0%	\$492,018
Rayburn	Susan	Executive Director, Contracting	\$202,500	\$28,401	14.0%	\$230,901
Reiser	Lisa	Chief Patient Care Services Officer	\$243,000	\$26,507	10.9%	\$269,507
Spiritus	Eugene	Chief Medical Officer	\$289,700	\$38,373	13.2%	\$328,073
Zehntner	Maureen	Chief Executive Officer	\$555,000	\$74,432	13.4%	\$629,432
LOS ANGELES CAMPUS						
Carpenter	Posie	CAO, SM-UCLA Medical Center	\$252,210	\$38,336	15.2%	\$290,546
Crooks	Heidi	Senior Associate Director, Patient Care Services	\$259,705	\$39,475	15.2%	\$299,180
Feinberg	David	Interim CEO, UCLA Medical Center	\$549,000	\$83,448	15.2%	\$632,448
Klove	Carole	Chief Compliance Officer, Medical Sciences	\$251,604	\$38,244	15.2%	\$289,848
Rosenthal ³	J. Thomas	CMO, UCLA Health System	\$325,100	\$49,415	15.2%	\$374,515
Rubin	Amir	COO, Hospital System	\$547,599	\$83,235	15.2%	\$630,834
Shultz	James	COO, Faculty Practice Group	\$226,694	\$34,457	15.2%	\$261,151
Staton	Paul	CFO, Hospital System	\$310,799	\$47,241	15.2%	\$358,040
OFFICE OF THE PRESIDENT						
Munoz	Santiago	Associate VP, Clinical Services Development	\$201,400	\$30,210	15.0%	\$231,610

SAN DIEGO CAMPUS						
Babakanian	Edward	Chief Information Officer	\$284,200	\$42,630	15.0%	\$326,830
Baggett	Margarita	CNO	\$252,000	\$37,800	15.0%	\$289,800
Giddings	Leland	Medical Director - Mgd Care	\$233,200	\$34,980	15.0%	\$268,180
Hofferber	Scott	COO Medical Group	\$204,400	\$30,660	15.0%	\$235,060
Hogan	Robert	CFO Medical Center	\$250,100	\$37,515	15.0%	\$287,615
Jackiewicz	Thomas	Associate Vice Chancellor	\$490,000	\$73,500	15.0%	\$563,500
Liekweg	Richard	CEO	\$591,500	\$88,725	15.0%	\$680,225
Mcafee	Thomas	Physician-in-Chief	\$447,200	\$67,080	15.0%	\$514,280
Moran	Dennis	Chief Professional Services	\$198,000	\$29,700	15.0%	\$227,700
Scioscia	Angela	Medical Director - Med Center	\$315,000	\$47,250	15.0%	\$362,250
Sonnenshein	Mona	COO	\$489,200	\$73,380	15.0%	\$562,580
Taylor	Palmer	Dean, Skaggs School of Pharm	\$317,400	\$47,610	15.0%	\$365,010

³ The Los Angeles campus has confirmed that any approved bonus for Dr. Rosenthal will be paid through the "Z" component of the Health Sciences Compensation Plan in accordance with those plan parameters.

Last Name	First Name	Title	Base Salary	Award Amount	Award as % of Base	Total Cash Compensation
SAN FRANCISCO CAMPUS						
Antrum	Sheila	Chief Nursing/Patient Care Svcs Officer	\$250,000	\$13,500	5.4%	\$263,500
Harris	John	Chief Strategy and Business Development Officer	\$288,700	\$12,414	4.3%	\$301,114
Jones	Ken	Chief Financial Officer	\$445,300	\$22,265	5.0%	\$467,565
Laret	Mark	Chief Executive Officer	\$675,300	\$30,389	4.5%	\$705,689
Lotenero	Larry	Chief Information Officer	\$310,800	\$1,865	0.6%	\$312,665
Ring, MD	Ernie	Chief Medical Officer (retired: 6/27/08)	\$409,500	\$32,760	8.0%	\$442,260
Ryba	Tomi	Chief Operating Officer	\$547,600	\$25,190	4.6%	\$572,790

The incentive compensation described above shall constitute the University's total commitment regarding incentive compensation until modified by the Regents and shall supersede all previous oral and written commitments regarding this form of compensation. The final action will be released to the public upon approval by the Regents.

Upon motion duly made and seconded, the Committee approved the President's recommendation and voted to present it to the Board.

9. APPROVAL OF RECOMMENDATIONS FOR BASE SALARY ADJUSTMENTS FOR CERTAIN SENIOR MANAGERS IN THE MEDICAL CENTERS AS DISCUSSED IN CLOSED SESSION

The President recommended that the following market equity adjustments for certain members of the Senior Management Group (SMG) at the medical centers be approved, as detailed in Attachment 1, and as earlier approved by the Regents in September 2007: base salary equity increases, as detailed in Attachment 1, totaling \$353,420 (an average increase of 5.9 percent) for 16 SMG members at five medical centers effective October 1, 2008. This second and final action is consistent with the two-phase proposal approved by the Regents in September 2007.

The equity increases described in Attachment 1 shall supersede all previous oral and written commitments regarding equity increases and shall constitute the University's total commitment regarding special equity increases for individuals identified until modified by the Regents.

[Background material was mailed to Regents in advance of the meeting, and copies are on file in the Office of the Secretary and Chief of Staff.]

Upon motion duly made and seconded, the Committee approved the President's recommendation and voted to present it to the Board.

10. **APPROVAL OF MERIT INCREASE FOR STEVEN CHU AS DIRECTOR – LAWRENCE BERKELEY NATIONAL LABORATORY AS DISCUSSED IN REGENTS ONLY SESSION**

The President recommended approval of a merit increase for Steven Chu as Director – Lawrence Berkeley National Laboratory, pursuant to Bylaw 12.8(f)(1), and Standing Order 100.3(b).

- A. Per policy, a merit increase of \$10,400 (2.6 percent). The merit plus the base salary of \$398,000 result in a total base salary of \$408,400.
- B. The effective date of this action is October 1, 2008, pending approval by the Regents and by the Department of Energy.

This item reflects only compensation related to the merit adjustment recommended for approval. This approved action will be released to the public upon approval by the Department of Energy and the Regents.

[Background material was mailed to Regents in advance of the meeting, and copies are on file in the Office of the Secretary and Chief of Staff.]

Upon motion duly made and seconded, the Committee approved the President's recommendation and voted to present it to the Board.

11. **APPROVAL OF STIPEND FOR DANIEL M. DOOLEY AS INTERIM SENIOR VICE PRESIDENT – EXTERNAL RELATIONS AND VICE PRESIDENT – AGRICULTURAL AND NATURAL RESOURCES, OFFICE OF THE PRESIDENT, AS DISCUSSED IN REGENTS ONLY SESSION**

The President recommended approval of:

- A. Per policy, an administrative stipend in the amount of \$50,000 (15.6 percent), increasing the current base salary of \$320,000 to a total compensation of \$370,000 (SLCG Grade 111: Minimum \$267,700, Midpoint \$344,000, Maximum \$420,100). This stipend amount is consistent with new Senior Management Group policy that dictates that appointment salaries will be within the salary range.
- B. Effective November 5, 2008 through November 4, 2009, or upon the appointment of a new Senior Vice President – External Relations, including a transition period of up to three months to accommodate transfer of the responsibilities, whichever occurs first.

Continuation of the current, additional compensation and related items include:

- Per policy, standard pension and health and welfare benefits, and standard senior management benefits (including senior management life insurance, executive

- business travel insurance and executive salary continuation for disability).
- Per policy, continuation of the 5 percent monthly contribution to the Senior Management Supplemental Benefit Program.
- Per policy, continuation of an annual automobile allowance of \$743 per month (\$8,916 per annum).
- Per policy, continued participation in the Mortgage Origination Loan Program (MOP), available to be exercised within a period not to exceed 24 months from date of employment.
- Per policy, continued availability of an Administrative Fund for official entertainment and other purposes permitted by University Policy.

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 approval by the Regents.

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Upon motion duly made and seconded, the Committee approved the President's recommendation and voted to present it to the Board.

12. **DELEGATION OF PLAN ADMINISTRATION DUTIES FOR THE UNIVERSITY OF CALIFORNIA RETIREMENT SYSTEM PLANS**

The President recommended that each of the University of California Retirement System (UCRS) plans be amended to:

- A. Designate the President as Plan Administrator with authority to delegate administrative duties with regard to the management and operation of the UCRS plans to a position at the Vice President or higher level.
- B. Delegate authority to the President to implement these UCRS amendments, which authority may be re-delegated to a position at the Vice President or higher level.

[Background material was mailed to Regents in advance of the meeting, and copies are on file in the Office of the Secretary and Chief of Staff.]

Upon motion duly made and seconded, the Committee approved the President's recommendation and voted to present it to the Board.

13. **TECHNICAL AMENDMENT OF REGENTS' POLICY ON REDUCED FEE ENROLLMENT FOR UNIVERSITY EMPLOYEES**

The President recommended that a technical correction be made to the *Policy on Reduced Fee Enrollment for University Employees* to return the policy to its original language and intent, as follows.

Deletions shown by strikeout, additions shown by underlining

POLICY ON REDUCED FEE ENROLLMENT FOR UNIVERSITY EMPLOYEES

1. Employees who desire to register as students under rules established by the President are permitted to enroll in regular session courses not to exceed nine units or three courses per quarter, whichever is greater, upon payment of one-third of the University Registration Fee and one-third of the Educational Fee;
2. Employees so registered are ineligible for services provided to students (such as the Counseling Center, recreational facilities, or the Student Health Services).
3. ~~Within four months of their retirement date,~~ Former University employees who have retired within four months of the date of separation from University service and who are annuitants of a retirement system to which the University contributes remain eligible for the Reduced Fee Enrollment Policy for University Employees subject to all of the limitations applicable to employees.
4. The President is authorized to approve reduced fee enrollment exceptions for up to twelve units or four regular session University courses per quarter, whichever is greater, for selected nursing employees. The President is authorized to delegate to Chancellors the authority to approve similar exceptions.

[Background material was mailed to Regents in advance of the meeting, and copies are on file in the Office of the Secretary and Chief of Staff.]

Upon motion duly made and seconded, the Committee approved the President's recommendation and voted to present it to the Board.

14. **AUTHORIZATION TO AMEND THE UNIVERSITY OF CALIFORNIA RETIREMENT PLAN AND THE RETIREMENT SAVINGS PROGRAM PLANS TO EXPAND SERVICE CREDIT BUYBACK AND REDEPOSIT PROVISIONS**

The President recommended that UC Retirement Plan (UCRP) and the Retirement Savings Program plans be amended, effective May 1, 2009⁴, or as soon thereafter as administratively possible, to:

- A. Amend UCRP and the Retirement Savings Program plans to allow Members expanded payment options for service credit buybacks and redeposits.
- B. Amend UCRP to allow Members to make buyback or redeposit elections after their three-year election period has expired, provided the purchase cost is based on an individual actuarial cost calculation instead of the Plan normal cost calculation.
- C. Amend UCRP to allow Members with leaves beginning on or after July 1, 1997⁵ to purchase more than two years of UCRP service credit provided the purchase cost for the service credit in excess of two years is based on an individual actuarial cost calculation.
- D. Amend UCRP to require that the purchase cost be recalculated in instances where the individual actuarial cost method is used and the Member received a substantial increase in Covered Compensation during the year following the buyback election.
- E. Delegate implementation of these amendments to the Plan Administrator.

[Background material was mailed to Regents in advance of the meeting, and copies are on file in the Office of the Secretary and Chief of Staff.]

Upon motion duly made and seconded, the Committee approved the President's recommendation and voted to present it to the Board.

⁴ It may be necessary to amend UCRP and the Retirement Savings Program plans prior to May 1, 2009 to allow the additional payment provisions if the Internal Revenue Service (IRS) changes its position on pretax payroll deductions, which it is currently reconsidering.

⁵ Buyback elections for leaves beginning before July 1, 1997 are based on "grandfathered" buyback provisions in which there is no maximum leave period eligible for a buyback.

The meeting adjourned at 11:20 a.m.

Attest:

Secretary and Chief of Staff

