

**Office of the President**

**TO THE MEMBERS OF THE SPECIAL COMMITTEE ON COMPENSATION:**

**INFORMATION ITEM**

*For Meeting of March 16, 2006*

**ANNUAL REPORTS OF PAID SERVICE ON CORPORATE BOARDS BY OFFICERS OF THE UNIVERSITY AND OFFICERS OF THE REGENTS FOR 2003-04, 2004-05 AND AMENDED REPORT FOR 2002-03**

Attached are the Reports on Compensated Service on Boards by Officers of the University for fiscal years 2002-03 (revised), 2003-04 and 2004-05.

These reports were prepared using the same format and procedures that have been used historically. The report format has consistently shown the number of days of vacation used (under UC's vacation policies), not the total amount of time spent on the compensated outside activities listed.

Traditionally, those who have served on boards have often indicated that the board service necessitated less than a full day of work and that they performed significant University service in the remainder of the day. We recognize that some people may have not recorded vacation time for this outside service as a result of confusion about the application of UC vacation policy in this context.

In addition, if senior managers also hold an academic appointment, there may have been confusion about the application of the relevant academic policy (APM 025) in this situation. On December 1, 2005, Associate Vice President Boyette issued a clarifying letter to all senior managers indicating that if they have an academic appointment in addition to their senior management position, they must fulfill the pre-approval and annual reporting requirements of both APM 025 and the University's Policy on Outside Professional Activities for University Officers and Designated Staff that applies to senior managers.

It is expected that the Special Committee on Compensation will review not only the format and content of the report, but also the policies applicable to senior managers. The administration will work with The Regents to determine the appropriate reporting requirement for future years.