

ATTACHMENT 6
BBL FOR UC COMPENSATION

Reporting Requirements

University of California. Item 6440-001-0001

Provision X. It is the intent of the Legislature that UC report by January 15, 2007 on salary increases provided to employees for 2006-07 by employment classification (represented staff, non-represented, staff, academic, senior management). The report should include the degree to which salary increases were consistent with the plan presented in the University's Regents Budget request in November, 2005.

Provision X. It is the intent of the Legislature that before changes are made to existing pension programs, UC report to the Legislature on how changes would affect employees by classification (represented staff, non-represented, staff, academic, senior management).

Budget Act Language on UC Compensation, Accountability, and Transparency

Item 6440-001-0001

It is the intent of the Legislature that UC fundamentally reform its compensation policies and practices to more appropriately reflect its status as a public institution accountable to the State of California. It is the intent of the Legislature that UC submit an annual report by March 1 of each year through 2010-11 to the Joint Legislative Budget Committee, legislative fiscal subcommittees, and the Department of Finance on the University's progress in reforming its compensation policies and practices consistent with the recommendations of the April 2006 Report of the Task Force on UC Compensation, Accountability, and Transparency (Task Force), the PricewaterhouseCoopers report, and the Bureau of State Audits May 2, 2006 report. Specifically, the University's report should include the following:

(1) consistent with the Task Force's recommendation on reporting, annual reports provided to the Board of Regents on total compensation for specified University senior officials (including the President, Provost, senior vice presidents, vice presidents/provosts, associate/assistant vice presidents, the University auditor, the

University controller, principal officers of The Regents, chancellors, vice chancellors, national laboratory directors/deputy directors, medical center CEOs, professional school deans, and the top five most highly compensated positions at the Office of the President and each campus, medical center, and Department of Energy Laboratory). Total compensation information on employees not covered by this language is to be made available to the Legislature upon request.

In its annual report of total compensation for senior officials, the University should use a standard reporting template, such as the template recommended in the April 2006 Report of the Task Force, that lists all elements of total compensation, including base salary, benefits and perquisites, and all other forms of UC-provided compensation that accrue to the individual.

(2) plans and actions taken by UC to reform compensation policies and practices to ensure that, (a) clear and appropriate policies are in place to define compensation, (b) university compensation remains competitive,

(c) it is clear with whom the authority lies for making compensation decisions,

(d) policies include specific guidance about when exceptions are appropriate, who may grant them, and through which mechanisms, so that exceptions do not become the rule,

(e) conflicts among existing policies are eliminated,

(f) mechanisms are in place to ensure compliance with newly reformed policies and to reliably impose consequences when policies are violated;

(3) plans and actions taken by UC to update its human resources information system to ensure that campuses and the Office of the President are entering and capturing data in an accurate and systematically compatible manner that permits disclosure of compensation information in a full and timely way.

It is further the intent of the Legislature that the fiscal subcommittees of both houses of the Legislature hold annual hearings to review this report.

(Senate Adopted on 5/17)