



Michael V. Drake, MD  
President

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Office of the President  
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CHANCELLORS  
EXECUTIVE VICE PRESIDENT RACHAEL NAVA  
LABORATORY DIRECTOR MICHAEL WITHERELL

RE: Approval Authority for Appointment and/or Compensation Actions for Level Two Senior Management Group Members

CAMPUSES

- Berkeley
- Davis
- Irvine
- UCLA
- Merced
- Riverside
- San Diego
- San Francisco
- Santa Barbara
- Santa Cruz

MEDICAL CENTERS

- Davis
- Irvine
- UCLA
- San Diego
- San Francisco

NATIONAL LABORATORIES

- Lawrence Berkeley
- Lawrence Livermore
- Los Alamos

DIVISION OF AGRICULTURE AND  
NATURAL RESOURCES

Dear Colleagues:

Regents Policy 7701: Senior Management Group Appointment and Compensation (RP7701) authorizes Chancellors, the EVP-COO for Office of the President, and the Laboratory Director for Lawrence Berkeley National Laboratory to approve certain appointment and/or compensation actions for Level Two members of the Senior Management Group (SMG2s) at their respective locations. Since 2012, however, the President has reviewed and retained approval authority for these proposed actions.

Effective December 1, 2022, the authority for SMG2 appointment and/or compensation actions as listed below is being returned to each of your positions for actions within policy, and the President will no longer need to review these proposed actions.

When there is no exception to policy, the following actions for SMG2s (including non-SMG members appointed to an SMG2 position on an acting or interim basis, where applicable) can be approved by the Chancellor, EVP-COO, or Laboratory Director for their respective locations, and this authority cannot be redelegated ([Please reference RP7701](#)):

- 1) Appointment of and/or compensation for a new SMG2 (career, interim and/or acting) appointee where the base salary plus any administrative stipend is below the 60<sup>th</sup> percentile of the position's Market Reference Zone (MRZ); the base salary is less than ten percent above the previous incumbent's base salary; and there is no exception to policy. (RP7701 Sections III.D.3, III.D.6, IV.C.2.)
- 2) Minor changes to working titles for SMG2 positions. (RP7701 Section III.D.5)
- 3) Systemwide salary increases for an SMG2 (career, interim and/or acting) incumbent where the resulting base salary is below the 60<sup>th</sup> percentile of the position's MRZ, and there is no exception to policy. (RP7701 Sections III.E.1, IV.C.2.)
- 4) Market-based salary increases for an SMG2 (career, interim and/or acting) incumbent where the resulting base salary plus any administrative stipend is below the 60<sup>th</sup> percentile of the position's MRZ; the increase does not result in the incumbent receiving an increase in base salary of ten percent or more in

that position over the course of a calendar year (excluding any increases received as part of a systemwide salary program); and there is no exception to policy. (RP7701 Sections III.E.2, IV.C.2.)

- 5) Any decreases in an SMG2 (career, interim and/or acting) incumbent's base salary, except for SMG2 incumbents at the Office of the President, which require approval by the President. (RP7701 Section III.F)
- 6) Administrative stipends for an SMG2 career incumbent where the SMG2's existing base salary plus the administrative stipend combined are below the 60<sup>th</sup> percentile of the position's MRZ, and there is no exception to policy. (RP7701 Sections III.H, IV.C.2.)
- 7) Designating an SMG2 career incumbent as a participant in the UC Employee Housing Assistance Program (Section III.J)

Any exceptions to policy will continue to require Regental approval. Additionally, the current process through the Systemwide HR Executive Compensation Unit remains in place in order to seek Presidential approval to present the action to the Regents for approval.

RP7701 requires the next higher level of approval authority when the proposed base salary for a new appointee is ten percent or more above the previous incumbent's base salary and/or in the case of market-based salary adjustments, when the proposed base salary results in the incumbent receiving an increase of ten percent or more in that position over the course of a calendar year (excluding any increases received as part of a systemwide salary program). The current process through the Systemwide HR Executive Compensation Unit for review and approval by the President and/or Regents for such actions also remains in place.

All appointment and/or compensation actions for Level One SMG members continue to require Regental approval using the current process as well.

Vice President – Systemwide Human Resources, Cheryl Lloyd, and Associate Vice President – Total Rewards, Jay Henderson, will release additional details to your Chief Human Resources Officers and SMG Coordinators in regard to the timing of and the process for reporting of actions approved under local authority.

Sincerely,



Michael V. Drake, MD  
President

cc: Vice President Lloyd  
Associate Vice President Henderson  
Director Fernandez  
Chief of Staff Kao  
Chief Policy Advisor McAuliffe  
Chief Human Resource Officers  
SMG Coordinators