Office of the General Counsel

Charles Robinson
Vice President
& General Counsel

Adrienne Witte
Executive Assistant

OGC Cabinet

David Birnbaum
Deputy General Counsel
Educational Affairs
& Campus Services

Jeffrey Blair
Deputy General Counsel
Litigation, Labor & Employment

Tina Combs
Deputy General Counsel
Business Transactions
& Land Use

Cate Hutton
Director, Finance
& Business Services

Kathleen Quenneville
Principal Counsel
Governance & Compliance

Max Reynolds
Deputy General Counsel
Health Law & Medical Center Services

Campus Chiefs

Mike Smith
Chief Campus Counsel
UC Berkeley

Steven Drown
Chief Campus Counsel
UC Davis

Diane Fields Geocaris
Chief Campus Counsel
UC Irvine

Kevin Reed
Vice Chancellor-Legal Affairs
& Associate General Counsel
UC Los Angeles

Elisabeth Gunther
Chief Counsel
UC Merced

Michele Coyle
Chief Campus Counsel
UC Riverside

Dan Park
Chief Campus Counsel
UC San Diego

Marcia Canning
Chief Campus Counsel
UC San Francisco

David Birnbaum
Deputy General Counsel
UC Santa Barbara

Carole Rossi
Chief Campus Counsel
UC Santa Cruz
# General Counsel Overview

University of California
Office of the General Counsel
2008-2009 Annual Report

## 2008-09 Initiatives

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## Campus Counsel

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<td>Irvine</td>
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<td>Santa Barbara</td>
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<td>Santa Cruz</td>
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## Practice Groups

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<tr>
<td>Land Use and Environmental Health and Safety</td>
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<tr>
<td>Legislative Affairs</td>
<td>32</td>
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<td>33</td>
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<tr>
<td>Technology Transfer</td>
<td>35</td>
</tr>
</tbody>
</table>
GENERAL COUNSEL OVERVIEW

I am pleased to present this second Annual Report of operations for the Office of General Counsel (OGC), covering fiscal year 2008-2009. This report highlights the department’s efforts in the past fiscal year to deliver high-quality, responsive legal services to our clients at a reasonable cost. Our overall objective is to be nothing less than the best in-house legal department in the nation for the world’s best public university system.

Though the year was marked by tremendous change and uncertainty, for our clients and for our office, the department made substantial progress on the ambitious goals we established at the beginning of the year—chief among them, reducing costs and increasing transparency. Due in large measure to the successful implementation of a five-part cost cutting program, we reduced overall outside counsel expense by $7.8 million or 7.8%. Most of the features of the program were not in effect until the second half of the year, and accordingly, we expect to realize even greater savings in the coming year and beyond (all other things being equal).

At the central office in Oakland, the department increased its emphasis on planning, budgeting and financial controls. We also surveyed clients regarding their expectations and level of satisfaction with our services. In response to client feedback, we increased the quality and frequency of client communications through our “push” initiatives (where we proactively “push” information out to clients rather than waiting to be asked for it). The effort in the past year included the production of our first annual report of operations, an annual and monthly report on outside counsel expense, and the introduction of a regular update on new legal developments, called the “Legal Advisory.”

The above efforts did not distract us from fulfilling our primary mission of delivering high-quality service to our clients. During the year, the department posted significant victories in litigation going to the heart of UC’s mission. To cite but a few examples, in a challenge by the Association of Christian Schools Incorporated to the University’s A through G high school course requirements, the department obtained a judgment summarily rejecting the claim that these requirements violate the First Amendment rights of certain religious high schools. The department also obtained orders permanently enjoining animal rights extremists from harassing University animal researchers, and enjoining protesters at the Berkeley and Santa Cruz campuses from occupying trees in a bid to stall key construction projects. Monies recovered by the department in affirmative suits to enforce University rights exceeded $67 million in the fiscal year.

OGC played a critical role in bringing to successful conclusion several other matters presenting significant risks or opportunities to the University, including the issuance of a Clean Water Act permit allowing the Merced campus to proceed with plans to realign its footprint for future development; establishment of a four-party venture by which the Santa Cruz campus will co-develop a research campus on a portion of a former NASA facility in Silicon Valley; and resolution of a number of high-exposure claims arising out of the fertility clinic and liver transplant programs at the Irvine campus.

The department also routinely provided sound and timely advice on matters of exceptional complexity and sensitivity. Examples include advice on the Master Plan for Higher Education and the proposed (now approved) changes in undergraduate admissions eligibility requirements, and on the legal implications of various furlough/salary reduction options.

Looking at the current year, OGC is developing programs to assist all of us in managing legal needs and risks in a time of diminishing resources. In response to overwhelming demand, we intend to produce and distribute more client self-service tools to enable clients to work more independently of lawyers, in-house and outside, with minimal legal risk. We plan to enhance our website to make it more useful and user friendly. And we will expand the rollout of publications offering proactive advice to help clients anticipate and avoid legal risks before they materialize into more costly and time-intensive problems.

Despite the challenges that lay ahead, we cannot and will not abandon our commitment to be the best for the best (B4B)—to exceed our clients’ expectations by delivering exceptional results; by proactively addressing needs, identifying opportunities and offering solutions; and by rigorously managing costs. It is clear that the times require us to work with you more intelligently, collaboratively and strategically to assure our continued success as a world-class pace setting institution. We look forward to our continuing partnership with our clients in the coming year.

Charles F. Robinson
Vice President & General Counsel
August 31, 2009
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2008-2009 Initiatives
Recoveries

Litigation awards and settlements in 2008-09 resulted in OGC recovering more than $67 million in income for the University. This sizable net recovery is the result of successful outcomes of Litigation and Business Transactions and Land Use claims and litigation. Members of the Litigation and Business Transactions and Land Use divisions secured recoveries in securities fraud, contract, patent infringement and gift dispute matters as reflected in the Recoveries Scorecard below.

Recoveries Scorecard

<table>
<thead>
<tr>
<th>CASE NAME</th>
<th>ISSUE</th>
<th>NET RECOVERY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enron</td>
<td>Securities Fraud</td>
<td>$28,000,000</td>
</tr>
<tr>
<td>Frank &amp; Marion Hinman Trust</td>
<td>Gift Dispute</td>
<td>$13,889,660</td>
</tr>
<tr>
<td>Regents v. Reliant</td>
<td>Antitrust Claims</td>
<td>$9,543,201</td>
</tr>
<tr>
<td>Boston Scientific v. Micrus</td>
<td>Patent Infringement</td>
<td>$2,600,000</td>
</tr>
<tr>
<td>Blue Shield</td>
<td>Contract Dispute</td>
<td>$2,402,783</td>
</tr>
<tr>
<td>Boston Scientific v. Cordis</td>
<td>Patent Infringement</td>
<td>$1,800,000</td>
</tr>
<tr>
<td>Rhodes Trust</td>
<td>Gift Dispute</td>
<td>$1,625,000</td>
</tr>
<tr>
<td>Williams</td>
<td>Antitrust Claims</td>
<td>$1,359,311</td>
</tr>
<tr>
<td>Hewitt Trust</td>
<td>Gift Dispute</td>
<td>$1,250,971</td>
</tr>
<tr>
<td>Bruce Lumbard Estate</td>
<td>Gift Dispute</td>
<td>$1,078,500</td>
</tr>
<tr>
<td>UC v. MTI</td>
<td>Patent Infringement</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>W.R. Grace</td>
<td>Bankruptcy</td>
<td>$845,361</td>
</tr>
<tr>
<td>Regents v. Howard S. Wight Construction Company</td>
<td>Construction Defect Claim</td>
<td>$502,982</td>
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<tr>
<td>Silva Estate</td>
<td>Gift Dispute</td>
<td>$440,750</td>
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<tr>
<td>Newton Homer Estate</td>
<td>Gift Dispute</td>
<td>$368,217</td>
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<tr>
<td>Blue Cross</td>
<td>Contract Dispute</td>
<td>$177,155</td>
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<tr>
<td>Rowe Com, Inc.</td>
<td>Bankruptcy</td>
<td>$169,454</td>
</tr>
<tr>
<td>Pivar Trust</td>
<td>Gift Dispute</td>
<td>$167,454</td>
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<tr>
<td>Regents v. Bodell</td>
<td>False Claim</td>
<td>$140,000</td>
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<tr>
<td>Blue Cross Rescissions</td>
<td>Contract Dispute</td>
<td>$97,217</td>
</tr>
<tr>
<td>Pacific Lumber Co.</td>
<td>Bankruptcy</td>
<td>$19,916</td>
</tr>
<tr>
<td><strong>TOTAL NET RECOVERY</strong></td>
<td></td>
<td><strong>$67,477,932</strong></td>
</tr>
</tbody>
</table>

Source: OGC Governance and Compliance, Litigation, Labor & Employment, and Business Transactions and Land Use divisions

Planning, Budgeting and Financial Controls

At the central office in Oakland, the department increased its emphasis on planning, budgeting and financial controls, resulting in our ending the fiscal year with a budget surplus. We expect this emphasis on budget and financial controls will continue to pay dividends in the future.

In order to position itself for the future and better meet the needs of our clients, the department implemented in the fiscal year a number of structural and administrative changes. Among the changes was the conclusion of recruitments for essential attorney positions, including five attorney managers in the Oakland office. These recruitments bring a new perspective and essential management experience to the oversight of department operations and fill critical gaps in the areas of tax, gifts and estates law; employee benefits; and labor and employment law.

The changes also included moving all outside counsel retainings, billings and invoicing to an automated system maintained by a third-party administrator, the same vendor used by the University’s Risk Services program. The new system contains a number of controls for ensuring proper client consultation, approval and budgeting for new engagements, and enhances our ability to “push” more timely and accurate information to clients and legal managers regarding the consumption of legal services.
Expense Management

Outside Counsel Cost Control
OGC implemented an aggressive outside counsel cost control and savings program (Program) in 2008-09 in which it projected annual savings of approximately $5 million. Due in large measure to the implementation of the Program, OGC reduced outside counsel expense by $7.8 million or 7.8%.

The Program targets opportunities to reduce outside counsel expenses through the following measures.

Rate Reductions
OGC negotiated billing rate reductions with many law firms the University retains. Additionally, most firms have agreed to freeze rates for one year, and OGC is requesting further billing rate reductions in the range of 5 to 15% in the coming months.

Monitoring and Accountability
OGC is aggressively managing outside counsel costs through retention guidelines, budgeting, improved monitoring, billing and accountability controls, and improved cost management data.

Terminating Services
OGC continues to look for opportunities to terminate redundant or inefficient services, and continues to utilize in-house expertise when available at significantly lower costs.

Training and Pre-Litigation Intervention
OGC continues to identify opportunities to reduce claims through enhanced management training and pre-litigation intervention.

Accelerated Claims Closure
The Accelerated Claims Closure Project, which began on July 1, 2008, illustrates a particularly successful cooperative strategy between OGC and Risk Services to reduce the cost of individual litigated cases against the University in the Risk Services portfolio of cases (medical malpractice, employment discrimination and general tort litigation). Attorneys target cases for accelerated resolution with the intent of resolving them for less than the amount expected if the case was resolved on a non-accelerated basis.

The following chart, with data prepared by the University’s claims actuary, Bickmore Risk Services & Consulting, shows $1.441 million savings in defense costs for the first six months of the fiscal year, an additional $1.825 million savings in damages payments over the same period, and a total savings of $3.266 million.

Accelerated Claims Closure
(July 1, 2008 to December 31, 2008)

<table>
<thead>
<tr>
<th>PROGRAM</th>
<th>DEFENSE COST</th>
<th>DAMAGES</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>General and Employment Practices Liability (GL)</td>
<td>$1,306,000</td>
<td>$666,000</td>
<td>$1,972,000</td>
</tr>
<tr>
<td>Professional Liability (PL)</td>
<td>$135,000</td>
<td>$1,159,000</td>
<td>$1,294,000</td>
</tr>
<tr>
<td>Total Savings (GL + PL)</td>
<td>$1,441,000</td>
<td>$1,825,000</td>
<td>$3,266,000</td>
</tr>
</tbody>
</table>

Source: Bickmore Risk Services & Consulting (April 18, 2009)
Communication and Training

Legal/Regulatory Updates

As part of the enhanced communication initiative, OGC has begun to publish regular and periodic updates regarding significant legislative, case law and regulatory developments that impact the University. For example, the Health Law division is producing a biweekly update for medical center personnel. OGC has also launched a new Legal Advisory, which provides alerts to senior management regarding significant legal and regulatory developments impacting the University such as the recent Executive Order suspending state contracts. Finally, the construction group began publication of a quarterly newsletter, which includes legal updates that impact the construction area.

Client Survey

All of the above initiatives are beside the point if we are not meeting client needs. Toward that end, we endeavored throughout the year to survey clients regarding their expectations and level of satisfaction with our services. At the beginning of the year, we commissioned a study by a leading industry group, the General Counsel Roundtable (GCR), on our clients’ experiences with attorneys across the system. On the 28 attributes covered by the survey, OGC posted an average score of 5.25 on a 7-point scale, nearly identical to (and within the margin of error of) the industry average.

In May, a summary of the survey results and a plan of action were widely distributed to all survey respondents and senior administrators, and a complete copy of the numerical scores was posted to the department website. Written comments submitted as part of the GCR study, and subsequent surveys conducted internally as part of our year-end performance management process, suggest a more positive trend than is reflected in the score obtained in the survey. Nonetheless, OGC’s goal is to surpass the industry average, and we will be working toward that goal in 2009-10 and beyond.

Training

Both campus and Oakland office attorneys have hosted successful substantive and risk prevention training workshops and seminars during the year. For example, the construction group conducted two highly successful and well attended workshops with project managers in northern and southern California during the spring. The real estate group also collaborated with Compliance and Risk Management to provide ID Red Flag training, and attorneys on the campuses have conducted training sessions for campus personnel throughout fiscal year 2008-09.
CAMPUS COUNSEL

Counsel residing at the campuses play a key role in providing advice and counsel to senior management on the campuses. Many serve as members of the campus’s senior management team. They also support the academic and administrative offices and provide advice on a broad range of legal issues that impact the campuses, some of which have systemwide implications and may include the following.

- Free speech rights
- Student affairs (discipline, academic disputes, organized activities, privacy)
- Employment matters (faculty and staff discipline, grievances, discrimination, layoffs, personnel actions, tenure disputes)
- Community relations
- Business affairs (contract negotiations and disputes, trademark policing, land use and construction)
- Academic affairs (research misconduct, animal rights, copyright, conflict of interest, policy development, academic freedom)

Campus attorneys also work in coordination with attorneys in the Oakland office.

“[Campus counsel] supplies campus leadership with a unique perspective and invaluable expertise. Whether it is advice relating to how to avoid missteps in compliance, suggestions on how to minimize legal risks, or tips on how to reduce conflict, [campus counsel] helps us retain our focus on excellence in teaching, service and research.”

Dallas Rabenstein
Executive Vice Chancellor
UC Riverside
Highlights for the UC Berkeley Office of Legal Affairs during 2008-09 include the following:

Defending Efforts to Build Student-Athlete High Performance Center
Campus counsel provided critical assistance in defending the longstanding and highly publicized litigation filed by the City of Berkeley and two community groups (the Panoramic Hills Association and the California Oak Foundation) which sought to prevent construction of the Student-Athlete High Performance Center adjacent to the California Memorial Stadium.

In August 2008, the Alameda County Superior Court issued a final decision in the lawsuit, ruling in the University's favor. The California Oak Foundation and the Panoramic Hills Association appealed in an attempt to halt construction. The California Court of Appeal “summarily denied” their request, clearing the way for construction of the new student-athlete center and the seismic retrofit of Memorial Stadium.

Resolution of Tree Sitter Controversy
On September 9, 2008, the last four tree sitters who lived in trees to protest the construction of the student-athlete training center climbed down from their perch atop a redwood outside of Memorial Stadium, peacefully ending a 21-month protest. Campus counsel worked closely with campus police in determining law enforcement strategy and collaborated with litigation colleagues in the Oakland office to obtain an injunction against the tree sitters.

In June 2009, the court issued a permanent injunction to protect the Berkeley campus from any further illegal activities by protesters relating to the construction of the Student-Athlete High Performance Center.

Supporting the Construction of Major Projects
Campus counsel provided legal support for the following campus projects.

Richard C. Blum Center for Developing Economies:
Campus counsel partnered with real estate and land use colleagues in the Oakland office and two other campuses—Davis and San Francisco—to provide the legal support for the development of the Blum Center. In April, the campus hosted a ground-breaking for the building that will be home to a multidisciplinary initiative to combat poverty around the world. Campus counsel has provided assistance in reviewing design plans and environmental documents in collaboration with real estate, land use and environmental counsel in the Oakland office. Plans to restore a historic campus building for the Blum Center move forward.

Center for Information Technology Research in the Interest of Society:
Campus counsel provided legal support for the development of a 141,000 square foot building, completed in February 2009, which will become the home for the Center for Information Technology in the Interest of Society (commonly known as “CITRIS”), a multidisciplinary program involving four UC campuses—Berkeley, Davis, Merced and Santa Cruz. This newest research facility on UC Berkeley’s campus embodies the innovation and entrepreneurship needed to fuel economic growth and arrives at a time when the state and nation seek relief from the recession.
Data Breach at University Health Services
Campus counsel provided advice and support in response to the University Health Services computer data breach, a matter that received widespread public attention.

Campus counsel worked closely with the campus police department, information technology personnel, campus communications personnel and senior administrators, to determine the extent and nature of the breach, assess responsibilities and potential exposure under law, to develop a strategy for timely notification of affected individuals, to establish post-notification protocols, to move quickly to investigate the root cause of the breach and to respond to the public, affected individuals, and the press.

Legal Services Overview

- 30% Employment Matters
- 30% Whistleblower Matters
- 25% Contracts
- 5% Settlements/Separations
- 5% Subpoenas
- 4% Litigation
- 1% Gift Exception Approvals

UC Berkeley Office of Legal Affairs:
Mike Smith
Chief Campus Counsel

Mike Cole
Assistant Campus Counsel

Jahlee Arakaki
Paralegal

Leslie Fales
Executive Assistant

Davis

Highlights for the UC Davis Office of Campus Counsel during 2008-09 include the following:

Title IX Challenge
Three female UC Davis students filed a lawsuit in federal court alleging that UC Davis failed to offer equal opportunities to female athletes in violation of the federal gender equity law known as Title IX. In order to reduce the costs associated with further litigation and to assure compliance with Title IX in the future, campus counsel negotiated a successful settlement pursuant to which the campus will gradually reduce the differential between women’s undergraduate enrollment rates and women’s varsity athletic participation rates to 1.5 percent over the next 10 years.

Animal Welfare Rights
Proposition 2, adopted in 2008, mandates new housing standards for egg-laying hens. The measure sparked heated debate between the animal welfare community, including the United States Humane Society (USHS), and a variety of opponents, including professional veterinary associations, public health advocates and the egg industry. Veterinarians at the Davis campus actively participated in the ballot campaign both for and against the measure.

Campus counsel provided legal advice for counseling faculty and staff about University policy regarding participation in ballot campaigns. Campus counsel also assisted in defending a Public Records Act (PRA) lawsuit by USHS against the University for the production of records concerning faculty research on the economic impacts of Proposition 2. The University successfully defended its position that confidential correspondence between research collaborators is exempt from disclosure under the PRA.

Contested ASUCD Elections
A record number of students voted during the 2009 Associated Students, University of California, Davis (ASUCD) elections. During the course of the voting, the voting machines malfunctioned several times. The designated officials repaired the malfunctions and voting resumed. After the elections, a voter filed a complaint with the student–run ASUCD Court contesting the elections.
Campus counsel provided legal advice to the ASUCD Court throughout its handling of the case and assisted in drafting the final decision.

Aquatic Research Vessels and Boating Safety
UC Davis has over 40 aquatic research vessels. Its researchers conduct scientific research throughout California's waterways. It also has aquatic research centers at Lake Tahoe and Bodega Bay. This year, campus counsel provided legal advice and assisted in drafting UC Davis's boating safety policy. Additionally, the Associate Campus Counsel is the lead negotiator for the purchase of an oceanographic research vessel for the Bodega Marine Lab.

Case Workload in Selected Categories

<table>
<thead>
<tr>
<th>Category</th>
<th>Cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Complaints</td>
<td>80</td>
</tr>
<tr>
<td>Academic Appointee Discipline</td>
<td>59</td>
</tr>
<tr>
<td>Staff Discipline</td>
<td>57</td>
</tr>
<tr>
<td>Student Complaints</td>
<td>51</td>
</tr>
<tr>
<td>Academic Appointee Complaints</td>
<td>42</td>
</tr>
<tr>
<td>Student Conduct/Safety &amp; Security</td>
<td>42</td>
</tr>
<tr>
<td>Business Contracts</td>
<td>34</td>
</tr>
<tr>
<td>Compliance/Conflict of Interest</td>
<td>32</td>
</tr>
<tr>
<td>Research Misconduct</td>
<td>7</td>
</tr>
</tbody>
</table>

UC Davis Office of Campus Counsel:
Steven Drown  Chief Campus Counsel
Carrie Stafford  Executive Assistant
Michael Sweeney  Associate Campus Counsel
Lynette Temple  Information Practices Coordinator

Irvine

Highlights for the UC Irvine Office of Campus Counsel during 2008-09 include the following:

Protecting the University's Financial Assets
Campus counsel negotiated a settlement resulting in an eight-figure payment to UC Irvine, saving the campus more than $250,000 in trial costs and achieving a highly satisfactory recovery for the campus. Campus counsel also work to resolve internal disputes before they become expensive litigation. For example, campus counsel successfully resolved the issues underlying a request for a medical staff fair hearing, saving at least $50,000 to $75,000 in outside counsel fees and hearing officer expenses.

Partnering with Public Records and Human Resources
Campus counsel assisted a wide range of offices that respond to information requests and complaints. For example, in 2008-09, campus counsel triaged 196 Public Records Act and Information Practices Act requests with the PRA office and other offices. In addition, working with the Locally Designated Official, Human Resources and the Office of Equal Opportunity and Diversity, campus counsel helped triage 89 whistleblower/retaliation complaints.

Keeping Confidential Information Confidential: Health Care Privacy
Campus counsel is updating all policies regarding retention and storage of private health data, related sanctions and cost shifting, in collaboration with hospital leadership, the School of Medicine Dean, and others. As a result, there are now new Medical Center policies pertaining to personal health information, its retention and transport.
Adding Value: Collaboration and Training

Committee Work: Campus counsel is a key member of the Consultation Group, which meets to discuss strategies for addressing complex and emergent issues for students and employees in crisis. A core group that includes the Student Counseling Center, the police and the Office of Campus Counsel, consults with Human Resources, Academic Personnel, student affairs, and the units affected, as appropriate. This year, campus counsel served on conflicts of interest, HIPAA policy, HR strategic redesign and medical center governance committees.

Training: Campus counsel conducted training presentations on subjects such as informed consent, HIPAA, intellectual property, limiting University liability, and free speech.

Clients and Range of Issues
In 2008-09, campus counsel worked on 251 new matters (compared to approximately 100 new matters in 2007-08) and continued work on an additional 106 matters that began in previous years.

- **Matters Opened** (by Client)
  - 28% UC Irvine Medical Center (71)
  - 18% School of Medicine (46)
  - 12% Academic Affairs/Schools (31)
  - 12% Chancellor & Executive Vice Chancellor/Provost (29)
  - 11% Other (27)
  - 7% Administration & Business Services (17)
  - 6% Student Affairs (14)
  - 3% Office of Equal Opportunity & Diversity (8)
  - 3% Office of Research (8)

Type of Matters (Total 251)

- 12% Employment (31)
- 11% Contracts/Affiliation Agreements (27)
- 11% Litigation (27)
- 11% Student and Resident Matters (27)
- 9% Privacy (23)
- 8% Other (21)
- 6% Copyright/Trademark/Intellectual Property (16)
- 6% Sexual Harassment & Discrimination (15)
- 6% Medical Staff (14)
- 5% Training/Service/Office Administration (13)
- 5% Ethics/Compliance/Conflict of Interest (12)
- 4% Public Records Act/Subpoenas (11)
- 4% Business Transactions & Real Estate (9)
- 2% Surveys/Accreditation/Licensing (5)

UC Irvine Office of Campus Counsel:

- Diane Fields Geocaris
  - Chief Campus Counsel
- Ryan DuBose
  - Executive Assistant and Office Manager
- Elizabeth Penfil
  - Campus Counsel

- Peter Schneider
  - Chief Health Sciences Counsel
- Diane Triantis
  - Assistant to Chief Health Sciences Counsel
Los Angeles

Highlights for the UCLA Office of Legal Affairs during 2008-09 include the following:

Defending University Employees from Harassment by Animal Activist Extremists

UCLA continued to go on the offensive on behalf of its faculty and staff involved in animal research who have endured a prolonged course of harassment and protests by animal activists. Campus counsel was involved in the litigation that resulted in a permanent injunction barring harassment of its researchers. Campus counsel also provided legal advice to support UCLA in protecting sensitive research information being sought by activists.

By filing lawsuits, assisting employees in protecting their homes and families from such acts as fire bombings and other forms of vandalism, and hosting the nation’s first ever “PRO-TEST” rally in support of the lifesaving work of researchers who use animals in their work, UCLA sent a clear message to its employees that they would be supported in their work and to extremists that the campus would not tolerate unlawful and harassing behavior.

New State of the Art UCLA Medical Center

Comprising over 1 million square feet, the new Ronald Reagan UCLA Medical Center opened its doors on June 29, 2008, and by the beginning of fiscal year 2008-09 was welcomeing new patients. Designed by internationally renowned architect I.M. Pei and his son, C.C. Pei, the facility contains 520 in-patient and 61 short-term stay beds. The facility incorporates the new Mattel Children’s Hospital and the Stewart & Lynda Resnick Neuropsychiatric Hospital, capping a decade-long planning and construction process in which campus counsel was involved at every stage.

Campus counsel, collaborating with construction counsel in Oakland, are working to resolve remaining disputes with project contractors.

Response to Taser Incident in Powell Library

An incident in Powell Library in which a student was subjected to a stun gun by UCLAPD when he resisted officers catapulted to local and national attention when a YouTube video of the incident was released to the media. Campus counsel advised the police department and administration on the impact and risks associated with this highly publicized issue. Campus counsel also reviewed and advised on policy revisions, issues concerning evidence gathering, police personnel matters, student conduct concerns, media statements, and handling of the independent investigation report. Campus counsel also worked with litigation counsel to reach a settlement with the affected student in the spring of 2009.

New Matters Inventory

(Total 1586 as of June 23, 2009)

<table>
<thead>
<tr>
<th>Category</th>
<th>Count</th>
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</thead>
<tbody>
<tr>
<td>Business</td>
<td>358</td>
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<tr>
<td>Risk Management, Litigation &amp; Dispute Resolution</td>
<td>351</td>
</tr>
<tr>
<td>Contract Review and Preparation</td>
<td>342</td>
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<tr>
<td>Academic</td>
<td>312</td>
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<tr>
<td>Policy Review, Records Issues &amp; Media Relations</td>
<td>122</td>
</tr>
<tr>
<td>Employment</td>
<td>100</td>
</tr>
</tbody>
</table>

UCLA Office of Legal Affairs:

- Kevin Reed
  Vice Chancellor-
  Legal Affairs and
  Associate General Counsel

- Cathy Bell
  Administrative Analyst

- L. Amy Blum
  Senior Campus Counsel

- Kathleen H. Canul
  Director, Ombuds Services

- Glen Fichman
  Senior Campus Counsel

- Thomas Griffin
  Interim Associate Ombudsperson

- Jody Grossman
  Executive Assistant

- Yolanda Israel
  Administrative Analyst

- Patricia Jasper
  Senior Campus Counsel

- Thomas Kosakowski
  Associate Ombudsperson

- G. Jane Lopatt
  Administrative Officer

- Susan Mangel
  Senior Legal Analyst

- Pamela Thomason
  Title IX / Sexual Harassment Coordinator

- Eleanor Wise
  Administrative Assistant

- Brenda Woods-Patin
  Ombuds Intake Coordinator and Office Manager
Merced

Highlights for UC Merced Campus Counsel during 2008-09 include the following:

Partnering with UC’s Newest Campus
The Office of General Counsel provides one of its Oakland-based attorneys to serve as campus counsel for UC’s “start-up” campus, Merced. This attorney devotes one-third of her time to Merced issues and acts as a liaison between the campus and OGC. As the campus grows, this arrangement has allowed Merced to benefit from systemwide legal resources, while addressing its unique legal challenges and economic constraints.

Working as a Team to Build a New Campus
Perhaps the most significant collaboration between OGC and the Merced campus has been the work of the land use and environmental health and safety group attorneys and Campus Planning on the multi-year effort to obtain the federal permits needed to develop the next phase of the campus.

In March 2009, Merced completed its year-long environmental review process and adopted a new Long-Range Development Plan (LRDP) and in May 2009 the campus received its federal permits.

Merced’s campus counsel provided land use and California Environmental Quality Act advice to the project team and worked with outside counsel and environmental consultants on the complex natural resource issues presented by the site. Campus counsel also assisted campus administration in its negotiation of an agreement with local jurisdictions to address the impacts of campus development.

As a result of this team effort, there were no legal challenges to either the environmental documents or the permits. By providing in-house expertise in the area of land use and environmental law and strategic input from inception of the project, OGC was able to reduce outside counsel costs and help the campus meet its aggressive schedule for adoption of a new LRDP and the issuance of the permits.

UC Merced Campus Counsel:
Elisabeth Gunther
Chief Counsel

Gloria Samson
Senior Legal Secretary

Riverside

Highlights for the UC Riverside Office of Campus Counsel during 2008-09 include the following:

Diversity Certification Program: Risk Management Through Training
In serving as a presenter at UC Riverside’s Diversity Certification program, campus counsel helped train senior staff on spotting cross-cultural communication issues and reducing potential legal risks arising from misconceptions associated with different communication styles.

Document Management & E-Discovery
In 2008, campus counsel was a key player in assisting the campus in developing a document management and electronic discovery response plan. As that plan evolves, campus counsel will retain a key role in improving and streamlining the response plan.

Teaming with Clients to Resolve Tough Issues
Campus counsel has advised many senior managers on alternate dispute resolution techniques. For example, campus counsel assisted the Associate Vice Chancellor of Conflict Resolution on a pioneering effort to address difficult issues posed by distressed faculty. Addressing those issues in a way that is fair to all, but results in an assessment that can guide the campus in going forward, has been very challenging.

Time Spent on Campus Matters

- 50% Personnel, Early Dispute Resolution & Administrative Proceedings
- 30% Litigation, Strategy & Support
- 20% Policy Advice

UC Riverside Office of Campus Counsel:
Michele Coyle
Chief Campus Counsel

Regina Villaseñor
Administrative Assistant

Lia Duncan
Senior Legal Assistant
San Diego

Highlights for the UC San Diego Office of the Campus Counsel during 2008-09 include the following:

Stem Cell Research Facility: Collaborating to Produce Results
UC San Diego was a founding member of a consortium to advance cutting-edge stem cell research by constructing a $160 million state-of-the-art research facility. The project faced opposition from historic preservation and aviation groups. However, campus counsel helped craft and implement a strategy of negotiation and vigorous representation before the city of San Diego, the state and federal agencies that resulted in the project moving forward on schedule, collaborating closely with attorneys in the land use group in the Oakland office, campus planning experts, and communications.

Education and Training
Campus counsel provided education and training to academic personnel and Human Resources managers, the Business Leadership Forum, and the Medical Staff Risk Management Education Program, among others, and proactively managed problems as they developed. Campus counsel actively works with front-line campus managers to prevent potential problems from developing into lawsuits.

Reducing Legal Costs
In 2008-09, campus counsel provided advice on more than 500 matters across all campus departments.

Matters by Category

- 37% Business Transactions/Real Estate
- 15% Employment
- 13% Health Law
- 12% Student Issues
- 11% Other
- 7% Intellectual Property
- 5% Litigation

By performing work traditionally performed by outside counsel, campus counsel has substantially reduced legal costs. For example, by bringing certain factual and legal research in-house, conducting settlement negotiations directly with opposing counsel and expanding our role in pre-litigated claims, we have efficiently resolved numerous matters with little or no assistance from outside counsel.

UC San Diego Office of the Campus Counsel:

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dan Park</td>
<td>Chief Campus Counsel</td>
</tr>
<tr>
<td>Annette Corsello</td>
<td>Assistant</td>
</tr>
<tr>
<td>Lynn Do</td>
<td>Executive Assistant</td>
</tr>
<tr>
<td>Dennis Klein</td>
<td>Associate Campus Counsel</td>
</tr>
<tr>
<td>Tony Perez</td>
<td>Chief Health Sciences Counsel</td>
</tr>
</tbody>
</table>
San Francisco

Highlights for the UCSF Office of Legal Affairs during 2008-09 include the following:

Scorecard and Metrics
Campus counsel participated in the Harvard designed, Balanced Scorecard initiative as a part of UCSF’s strategic planning and performance initiative. As a result of this effort, campus counsel conducts surveys of approximately 150 clients twice each year to determine client needs and assess whether the needs are being met. The survey results provide data to measure service and provides a basis for identifying objectives and measures for the upcoming year.

Customer Service Scorecard (by Calendar Year)
(Composite scoring range is 1 to 5 for each factor)

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
<th>2006</th>
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<tr>
<td>Efficient</td>
<td>4.08</td>
<td>4.15</td>
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<tr>
<td>Responsive</td>
<td>3.92</td>
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<tr>
<td>Accountable</td>
<td>4.05</td>
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<td>3.80</td>
</tr>
<tr>
<td>Collaborative</td>
<td>4.08</td>
<td>3.96</td>
<td>3.96</td>
</tr>
</tbody>
</table>

Campus counsel strives to increase responsiveness scores by providing information to clients proactively or by directing them to tools which allow them to achieve their goals more quickly.

New Website and Tools Enhance Service
Campus counsel has launched a new website for the UCSF community. Clients can obtain templates, legal advice, and training materials via the website as well as legal updates, links, and conflict of interest rules.

In the coming year, campus counsel will roll out a portal for the UCSF community to submit requests for legal advice which will be tracked and triaged daily. Campus counsel is also collaborating with other departments to review and develop templates in response to current and emerging legal needs.

Savings: Pre-Litigation Settlements
Campus counsel has collaborated with Risk Management for early identification of cases that should be settled prior to litigation. This effort has been successful and has resulted in substantial savings in attorneys’ fees and indemnity payments. Campus counsel saved $842,000 in costs in 2007-08. Though figures for 2008-09 are not yet available, campus counsel expects significant savings this year as well.

UCSF Office of Legal Affairs:
Marcia Canning
Chief Campus Counsel
David Bergquist
Senior Counsel
Tom Dellner
Analyst II/Executive Assistant
Karen Forte
Analyst II/Executive Assistant
Greta Schnetzler
Deputy Campus Counsel
Ann Sparkman
Deputy Campus Counsel
Patricia Tashima
Analyst IV/Supervisor/Paralegal
Diane Wynshaw-Boris
Senior Campus Counsel
Santa Barbara

Highlights for UC Santa Barbara Campus Counsel during 2008-09 include the following:

Free Speech and the Dalai Lama
The Dalai Lama’s visit to the campus generated competing concerns over security and the need to accommodate First Amendment rights of protesters. In accord with legal advice, the campus designated “free speech zones,” which permitted protests in limited areas that could be monitored for security purposes.

Protecting Student Privacy
A defeated candidate for public office sued the successful candidate, arguing that improper registration of student voters on the campus swung the very close election. Subpoenas were served on the campus for voluminous registration records, which contained protected, private information. Students were also subpoenaed to testify. Campus counsel recommended that the campus file motions to allow documents to be redacted to protect privacy interests, and students were counseled about their testimony. Ultimately, students were not called to testify and the election challenge was unsuccessful.

Academic Freedom Versus Appropriate Faculty Conduct
Charges were brought against a faculty member who sent students a personal statement, with attachments, highly critical of Israel. The faculty member asserted that his actions were protected by academic freedom. Campus counsel advised various Faculty Senate committees concerning the scope of academic freedom and its interface with the Faculty Code of Conduct. Ultimately, the charges were dropped.

Public Reporting of Potential Voting Machine Problems
Campus counsel provided legal support to the campus following the publication of faculty research that identified problems with certain electronic voting machines. The problems were recorded on videotape, which was widely shared. The manufacturer of the voting machines believed the problems shown on the videotape had been corrected and the videotape was therefore misleading. The research funding agency believed that it should have controlled distribution of the study’s results, under the contract terms. The faculty believed there was a strong public interest in sharing information about the problems that had been found. The matter was negotiated at length; no lawsuits or other claims were filed.

Subject Overview of Work

- 25% Employment
dispute resolution, investigations, sexual harassment, faculty and staff grievances & discipline

- 25% Business
contract preparation & review, copyright/IP, business transactions, business disputes

- 25% Student Matters
discipline, grievances, Title IX, student government

- 25% Other
public records, privacy, First Amendment, academic freedom, litigation

UC Santa Barbara Campus Counsel:

David Birnbaum   Beverly Barker
Deputy General Counsel   Executive Secretary
Highlights for the UC Santa Cruz Office of Campus Counsel during 2008-09 include the following:

**New Program to Promote Early Intervention and Collaborations**

Campus counsel instituted a program of regular meetings with the directors of Risk Management, Real Estate, Business Contracts, IT Services and the Campus Privacy Officer in 2008-09. This enhanced communication has helped campus counsel and the campus identify legal risks before matters turn into costly legal disputes.

Examples of such early intervention and collaboration include:

- Campus counsel worked closely with the Real Estate Office to resolve a complex disagreement between the University and a tenant regarding the use of agricultural land located at the UC Santa Cruz Monterey Bay Education, Science and Technology Center.
- Campus counsel worked closely with Risk Management, the Campus Privacy Officer and Information Technology Services to develop appropriate campus protocols for preservation of electronically stored information, as well as other records security procedures.
- Campus counsel collaborated with student affairs and Human Resources administrators to help resolve several sensitive disputes regarding Americans with Disabilities Act accommodation, student due process, workplace safety and records privacy.

**Helping Clients Manage the Issues**

During 2008-09, campus counsel handled approximately 800 requests for legal advice and review of documents, including handling the following:

- **Successful Resolution of Tree Sitting:** Campus counsel provided legal support to senior administrators (including a lawsuit for injunctive relief) in their successful resolution of a campus tree-sitter protest on the Santa Cruz campus.

- **Supporting Unique Engineering Program:** Campus counsel helped develop creative legal solutions to support the UC Santa Cruz Baskin School of Engineering program, which enables graduate students in Computer Engineering to gain experience in real world computer networking problems.

- **Successful Negotiation of Research Agreement:** Campus counsel successfully negotiated an agreement with a major technology company allowing faculty to access much needed equipment and facilities for cutting edge collaborative research.

- **Progress in Developing Silicon Valley Campus:** Campus counsel was an integral part of the legal team (comprised of senior real estate and land use counsel, campus counsel and outside counsel), which continues its work on complex legal issues associated with the development of the UC Santa Cruz Silicon Valley campus. The team has negotiated a ground lease with NASA and formed a limited liability company to support the development of the self-sustaining research and education community envisioned by the academic members and project partners.

“As a member of the Chancellor’s Cabinet, [campus counsel] is an integral part of the University’s decision making. Her advice throughout the campus provides guidance on how to move the University forward while complying with both the law and UC policy. In many ways, our [campus counsel] approaches campus legal matters as one would an iceberg: she deals with the obvious legal and risk issues that are visible for the campus as a whole, while at the same time working throughout campus to keep the vast majority of issues from becoming serious and reaching visibility at the surface.”

George R. Blumenthal
Chancellor, UC Santa Cruz
May 5, 2009

UC Santa Cruz Office of Campus Counsel:

- Carole Rossi, Chief Campus Counsel
- Gennevieve Herbranson, Office Manager/Paralegal
- Katina Ancar, Associate Campus Counsel
PRACTICE GROUPS

The attorneys in Oakland provide specialized legal support in the following areas.

- Business and Real Estate
- Charitable Giving and Nonprofit Organizations
- Construction
- Educational Affairs
- Governance and Compliance
- Health Law
- Labor, Employment & Benefits
- Land Use and Environmental Health and Safety
- Legislative Affairs
- Litigation
- Technology Transfer

The Oakland attorneys provide these specialized legal services to the Board of Regents, the Office of the President, to the campuses and medical centers, and to other University managers and staff working on projects located off campus such as the proposed construction of a 30-meter telescope in Mauna Kea, Hawaii.
Business and Real Estate Group

The business and real estate group provides legal advice and assistance to campuses and the Office of the President on a wide variety of business, financial and real estate transactions. The group negotiates and drafts major commercial contracts, analyzes real estate transactions and taxation issues and develops risk avoidance strategies. On many transactions, the group does not retain outside counsel but instead uses in-house legal expertise to provide cost efficient service to University clients. Significant project highlights during 2008-09 include the following:

Working for the Future: NASA-Ames Research Center

The business and real estate group played a major role in the negotiation of a long-term federal lease for 75 acres in Santa Clara County to develop the NASA-Ames research and residential community, a forward-looking and visionary joint venture led by UC Santa Cruz.

This massive, energy-efficient project, as envisioned, will feature state-of-the-art research and teaching laboratories, shared classrooms, 1,900 housing units, accommodations for industrial partners and modern infrastructure. Joint academic initiatives are being planned in science, engineering and management.

Successful Negotiation Expands Statewide Energy Efficiency Partnership

In 2008-09, the business and real estate group provided in-depth assistance in the contentious, but successful, negotiation to expand the University’s 2009-2011 UC/CSU/IOU Statewide Energy Efficiency Partnership. This partnership, negotiated with the California Public Utilities Commission and the investor-owned utilities, will make available over $250 million for University energy efficiency projects at all 10 campuses.

Enhanced Financing Capacity

The business and real estate group provided support for the initiative that expanded the University’s short-term borrowing capacity by $1.5 billion and helped to arrange more than $1 billion in additional long-term borrowing.

The Blum Center for Developing Economies

The business and real estate group worked on all major University development initiatives, including construction of the Richard C. Blum Center for Developing Economies at UC Berkeley.

New UCLA Child Care Center

The business and real estate group led the negotiations to enter into an agreement with TIAA-CREF, the owner of a former Longs drugstore, to lease and renovate the property so that it can be used as a child care center at UCLA. The business and real estate group also negotiated with Bright Horizons, Inc. for the operation of the child care center.

Business and Real Estate Group Members:

- Tina Combs: Deputy General Counsel
- Janet Norris: Senior Counsel
- Scott Abrams: Senior Counsel
- Lucy Adams: Senior Counsel
- James Agate: Senior Counsel
- Barbara Bray: Senior Legal Secretary
- Karen Lau: Senior Legal Secretary
- Lloyd Lee: Principal Counsel
- David Robinson: Senior Counsel
- Gloria Samson: Senior Legal Secretary
Charitable Giving and Nonprofit Organizations Group

The charitable giving and nonprofit organizations group supports Institutional Advancement at the Office of the President and University Advancement Offices on all 10 campuses to help increase private support for the University's teaching, research and public service mission.

Estate and Trust Administration

The charitable giving and nonprofit organizations group handles all estate and trust matters in which donors named the UC Regents as a beneficiary of their estate plans, ensuring that campuses receive everything that donors intended and partnering with the litigation group when necessary to enforce the terms of donors' bequests.

With the group's support, nearly $38 million has been distributed to departments and programs throughout the University in 2008-09 and approximately 1,100 open estate and trust matters are pending as of June 30, 2009.

Planned and Charitable Giving

Major gifts often pose complex tax and legal issues. The charitable giving and nonprofit organizations group provides legal support to campus development officers working on planned gifts such as charitable remainder trusts, charitable gift annuities and pooled income funds, and also provides legal support for the administration of planned gifts made by donors in years past.

In 2008-09, the group helped The Regents accept over $2.8 million in new planned gifts and distribute over $1.8 million from gifts that had matured.

Endowments and Restricted Funds

The Regents and campus foundations together hold thousands of endowment funds with legally binding donor restrictions. The charitable giving and nonprofit organizations group helps campuses put their endowments to work by counseling them on permissible uses of restricted funds and seeking court approval where necessary to modify the terms of funds that have become administratively impracticable.

Nonprofit Corporate and Tax Advice for Support Organizations

The University's mission is supported by dozens of auxiliary nonprofit organizations that are essential components to its teaching, research and public service program. The charitable giving and nonprofit organizations group provides nonprofit tax and corporate work to these support groups, which reduces the legal costs which they might otherwise incur.

In 2008-09, the group facilitated the merger of two UCSF medical center auxiliaries—one serving its Parnassus hospital and the other serving Mt. Zion. The merger will reduce overhead costs and set the stage for expanding auxiliary service to the new hospital at Mission Bay.

General Tax Advice

To reduce outside counsel expenses, the charitable giving and nonprofit organizations group also provides general tax advice on questions ranging from the tax issues in litigation settlements to the taxability of employee benefits.

In June 2009, tax counsel led a training session on charitable deduction rules for UC Santa Cruz development officers in preparation for the campus's upcoming capital campaign.

Charitable Giving and Nonprofit Organizations Group Members:

- Tina Combs  
  Deputy General Counsel
- Barbara Rhomberg  
  Counsel
- Vanessa Adams  
  Principal Legal Analyst
- Beverly Barker  
  Executive Secretary
- Patricia Garrett  
  Senior Legal Secretary
- Susie Quinn  
  Principal Legal Analyst
Construction Group

The construction group provides construction-related legal services to UC’s $8 billion annual construction program on the campuses and at the medical centers.

The group provides most transactional services (e.g., advice, contract drafting and non-litigated claims resolution) in-house and works with outside counsel on litigated disputes, to the extent such work exceeds in-house capacity.

“UC and the Law” Seminars and Other Training

In 2008-09, to assist our clients in delivering construction projects on time and budget, the construction group gave systemwide seminars to over 200 project managers and contract administrators, including the popular “UC and the Law” seminar.

The construction group also held separate training sessions at many of the campuses to address issues such as contracting strategies, negotiation skills, recent changes to standard documents and claims management. The construction group also participated in the annual campus architect retreat, and initiated an annual construction law symposium to share strategies with other public sector construction attorneys.

Development of New Contracting Strategies

Clients are continually seeking new and improved contracting strategies suited to the University’s increasingly complex construction projects, including state of the art hospitals and research laboratories.

To that end, the construction group is continually fine tuning existing contract forms (such as design build) or developing entirely new contracts, such as the “best value” design assist/guaranteed maximum price/construction manager at risk contract for the new hospital at Mission Bay in San Francisco.

Recession Effects: Transition from Uncompetitive to Competitive Bidding

Due to the economic downturn, UC has experienced a dramatic increase in the number of bidders for its construction projects (e.g., in spring 2009, a project with a $42 million pre-bid estimate was awarded to a contractor who bid $24 million), with a related increase in bid protests and claims.

To eliminate less qualified contractors, the group has developed enhanced prequalification procedures for bidders who wish to bid on University construction contracts to ensure that contracts are awarded to experienced contractors with proven track records. The group also assists the campuses in their defense of an increasing number of bid protests.

Resolving Construction Disputes

Due to the legal requirement to award construction contracts to the lowest bidder, University construction projects are prone to claims, which often involve contractor claims for cost overruns or owner claims for defective work or delays. The construction group aggressively represents the University in resolving such disputes, often without litigation or outside counsel.

Examples for 2008-09 include:
- convincing an architect to abandon a $900,000 fee claim against UC
- collecting $700,000 from a contractor for defective stucco on a laboratory building
- settling a contractor’s $721,000 concrete work claim for $102,000
- resolving a dispute over delays on a hospital project by retaining $110,000 of the contractor’s unpaid contract balance
- settling with a contractor for less than 20% of its multi-million dollar claim by working with the contractor to appropriately price and compensate subcontractors

Construction Group Members:

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
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</thead>
<tbody>
<tr>
<td>Tina Combs</td>
<td>Deputy General Counsel</td>
</tr>
<tr>
<td>Stephen Morrell</td>
<td>Managing Counsel</td>
</tr>
<tr>
<td>Holly Ackley</td>
<td>Senior Counsel</td>
</tr>
<tr>
<td>David Bergquist</td>
<td>Senior Counsel</td>
</tr>
<tr>
<td>Mike Cole</td>
<td>Assistant Campus Counsel</td>
</tr>
<tr>
<td>Glen Fichman</td>
<td>Senior Campus Counsel</td>
</tr>
<tr>
<td>Cheryl Marshall</td>
<td>Principal Legal Analyst</td>
</tr>
<tr>
<td>Naomi McPherson</td>
<td>Senior Legal Secretary</td>
</tr>
<tr>
<td>Debbie Potter</td>
<td>Senior Legal Secretary</td>
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<tr>
<td>David Robinson</td>
<td>Senior Counsel</td>
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<tr>
<td>Natalie Taylor</td>
<td>Senior Legal Secretary</td>
</tr>
<tr>
<td>Paul Townsend</td>
<td>Litigation Specialist</td>
</tr>
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</table>
Educational Affairs Group

The educational affairs attorneys advise and counsel campuses and the Office of the President on a wide variety of issues involving students, faculty and academic life, such as admissions, fees, financial aid, housing, student conduct and mental health, international studies, and faculty and Academic Senate matters.

Three attorneys in the group serve as the general legal advisors for UC Santa Barbara, UC Merced, and the Division of Agriculture and Natural Resources.

Notable accomplishments this past year highlight the group’s involvement with compliance issues, new initiatives and policy development, as follows:

Advising on Major New University-Wide Initiatives

New UC Admissions Policy: Educational affairs attorneys advised the Office of the President on the new University admissions policy. As proposed by the Board of Admissions and Relations with Schools, the new policy would increase the number of students eligible to attend the University. The Regents approved the new policy effective fall 2012.

Electronic Access to UC Library Holdings: Educational affairs counsel and UC Library representatives consulted extensively with Google, Inc., in connection with Google’s proposed settlement of a class action copyright infringement lawsuit that sought to prevent Google from digitizing and granting electronic access to materials in university libraries.

Although not a party to the litigation, the University, as a participant in the digitization project, was one of a handful of major universities whose expertise and assistance Google sought in the settlement process.

If approved by the court, the settlement will establish unprecedented, full electronic access to millions of works, which is a matter of intense and widespread interest throughout higher education.

Rights of Undocumented Students: Educational affairs attorneys provided extensive legal analysis on this important, timely issue by assisting administrators in understanding legal constraints on financial benefits, analyzing possible amendments to federal law, and assessing the impact of federal law on state law provisions.

Collaborating with the Office of Ethics, Compliance and Audit Services (ECAS) to Provide Guidance on the Higher Education Opportunity Act of 2008

Educational affairs attorneys worked closely with the newly-established ECAS to identify compliance responsibilities in the Higher Education Opportunity Act of 2008, the major federal legislation that re-authorized funds for higher education financial aid, established many new programs and imposed myriad new requirements on institutions of higher education. This work included making a presentation on the topic at ECAS’s first Annual Conference on Ethics and Compliance in March 2009.

Developing Important New University Policies

Balancing the legal rights and obligations of different University constituents, educational affairs attorneys played a major role in the development of new policies.

For example, they:
- helped draft a proposed University policy on the involuntary withdrawal of students for reasons of personal safety and campus security
- provided guidance under the University Whistleblower Policy on the issue of investigation subjects’ eligibility for reimbursement of attorney’s fees
- analyzed options for University compliance with sexual harassment, conflict of interest, and ethics training requirements mandated by law or policy

Educational Affairs Group Members:

David Birnbaum
Deputy General Counsel

Katina Ancar
Counsel

Beverly Barker
Executive Secretary

Carolyn Carolina
Senior Legal Secretary

Patricia Garrett
Senior Legal Secretary

Elisabeth Gunther
Senior Counsel

Diana Hume
Senior Legal Secretary

Karen Lau
Senior Legal Secretary

Mary MacDonald
Senior Counsel

Gloria Samson
Senior Legal Secretary

Fred Takemiya
Senior Counsel

Natalie Taylor
Senior Legal Secretary

Cynthia Vroom
Senior Counsel
Governance and Compliance Group

The governance and compliance group provides legal services in the areas of governance, compliance and conflict of interest. The Regents are a major client of the group, as well as the Office of the President and the campuses.

Ensuring Good Governance

During 2008-09, the governance and compliance group provided advice, for each meeting of the Board of Regents, on compliance with open meeting laws. The group developed a self-help tool to assist clients in determining whether particular matters could be discussed in closed session. The group initiated a project with the Secretary and Chief of Staff’s office to reconcile conflicting provisions in The Regents’ bylaws, standing orders and policies, and work on this project continues. Finally, the group supported the Office of Ethics, Compliance and Audit Services in writing and revising delegations of authority to ensure that The Regents’ directives are clearly implemented.

Balancing the University’s Needs Against the Public’s Right to Know

The governance and compliance group advised Public Records Act Coordinators at the Office of the President and the campuses on hundreds of Public Records Act requests, many with significant systemwide policy issues and a high level of media publicity or political sensitivity. The group also made Public Records Act presentations to the Compliance and Audit Symposium and other Office of the President staff.

Compliance with Conflict of Interest Laws

The governance and compliance group is responsible for obtaining completed conflict of interest forms (disclosures of financial interests) from the University’s designated officials. The group works with local conflict of interest coordinators at each campus to update the University’s Conflict of Interest Code. On a weekly basis the group answers questions from its clients throughout the University, to help them avoid violating the Political Reform Act by accepting gifts or taking action on matters in which they have an interest.

Advice on Privacy Laws

The governance and compliance group provided advice during 2008-09 on more than 100 privacy issues, including matters related to student privacy under the Family Educational Rights and Privacy Act (FERPA), employee privacy, interpretation of the University’s Electronic Communications Policy, and security breach notification issues. The group provided systemwide guidance on the impact of significant new FERPA regulations and drafted proposed revisions to systemwide FERPA policy.

Governance and Compliance Group Members:

Kathleen Quenneville  Principal Counsel
Lucy Adams  Senior Legal Secretary
Melissa Allain  Senior Counsel
Karen Lau  Senior Legal Secretary
Maria Shanle  Senior Counsel
Ross Smith  Conflict of Interest Coordinator
Natalie Taylor  Senior Legal Secretary
Sharon Thomas  Principal Legal Analyst
Susan Thomas  Senior Counsel
Health Law Group

The health law group supports the eight medical centers, five medical schools and faculty practice plans, and the Office of Health Sciences and Services in the Office of the President. The group works with hospital and medical school personnel to ensure that medical facilities comply with the complex array of federal and state regulations governing the provision of clinical services. The group also provides critical support for clinical and research collaborations.

Highlights for the health law group during 2008-09 include the following:

Critical Day-to-Day Support
The health law group provided legal support for a range of matters that arise daily at the medical schools and medical centers, including securing patient consent, negotiating managed care plans, procuring diagnostic equipment, and handling peer review matters.

Securing $30 Million Grant for Neonatal Care
The group worked closely with the California State Treasurer’s Office to secure approval of a $30 million grant to defray construction costs for a new neonatal intensive care unit at a University hospital. This effort required extensive negotiation with state officials to ensure that state bonds issued to fund the grant would not impede operational flexibility of the new facility.

Recovering $12.5 Million for the University
A large managed care plan routinely undercompensated the University for hospital services furnished to the plan’s enrollees. During 2008-09, health law attorneys partnered with hospital finance personnel to press for appropriate payment. These efforts resulted in a $12.5 million payment to the University.

Protecting Patient Privacy
Health law attorneys collaborated with compliance and privacy officers to augment safeguards protecting the privacy and security of patient health information, an effort critical to safeguarding the health information of patients at University medical centers.

Expanding Health Care Access
Health law attorneys worked closely with senior officials from Los Angeles County to develop a framework for the re-introduction of hospital inpatient services at the King-Harbor campus in South Central Los Angeles. If successful, this initiative will bring much needed hospital and physician care to one of the most underserved areas within California.

Health Law Group Members:

Max Reynolds
Deputy General Counsel, Health Law, UCOP

Lucy Adams
Senior Legal Secretary, UCOP

Meghan Archdeacon
Senior Counsel, UCLA Health System

Joanna Beam
Acting Deputy General Counsel, Health Law, UCOP

Jane Boubelik
Chief Health Sciences Counsel, UCLA

Barbara Bray
Senior Legal Secretary, UCOP

Thomas Dellner
Analyst II/Executive Assistant, UCSF

Shari Faris
Senior Counsel, UCLA Health System

Karen Forte
Analyst II/Executive Assistant, UCSF

Gwendolyn James
Administrative Specialist, UCLA

David Levine
Health System Counsel, UC Davis

Margaret Navarra
Administrative Specialist, UC Davis

Anna Orlowksi
Chief Health Sciences Counsel, UC Davis

Tony Perez
Chief Health Science Counsel, UCSD

Mary Peters
Paralegal, UC Davis

Carrie Recksieck
Principal Counsel, UCLA Health System

Andrea Resnick
Principal Counsel, UCOP

Peter Schneider
Chief Health Sciences Counsel, UC Irvine

Greta Schnetzler
Deputy Campus Counsel, UCSF

Ann Sparkman
Deputy Campus Counsel for Health Affairs, UCSF

Pat Tashima
Analyst IV/Supervisor/Paralegal, UCSF
Labor, Employment & Benefits Group

The labor, employment and benefits group advises the 10 campuses and Lawrence Berkeley National Laboratory on a full range of employment, labor and benefits matters affecting the University’s 160,000-person workforce.

Negotiation of Five Union Contracts; Secured Rare Injunction Barring Strike

The University has 13 systemwide bargaining unions and 12 local unions. During 2008-09, the labor, employment and benefits group provided advice that enabled UC negotiators to successfully close bargaining contracts with five bargaining units: CNA (registered nurses), UC-AFT (lecturers), FUPOA (police), AFSCME-SX (service workers), and AFSCME-PCT (patient care technicians).

In addition, the University obtained a virtually unprecedented court injunction to prevent a union strike of nearly 9,000 workers.

The group has also been actively involved in matters related to UWA’s recent organization of approximately 6,000 post-doctoral scholars.

Empowering Managers to Navigate Challenges

The labor, employment and benefits group regularly provides legal updates and training to managers on employment issues.

Highlights of this year’s training focused on the interpretation and implementation of new Family Medical Leave Act (FMLA) regulations. In the spring, members of the employment group delivered more than a dozen training programs throughout the system to answer questions and provide practical guidance regarding how to comply with the FMLA and its California counterpart when administering UC’s medical leave policies.

In addition, in fall 2008, the group played an integral role in the creation and development of UC’s new e-learning program for state-mandated sexual harassment prevention training for supervisory employees, which is now available to all supervisors systemwide.

Modern Workplace Solutions

The labor, employment and benefits group devotes considerable time to counseling Human Resources and Labor Relations staff and supervisors regarding matters involving individual employees or campus and systemwide concerns. The advice practice provides a critical risk management service to internal clients by helping them identify potential liabilities, proactively manage problem situations, and successfully resolve employee conflicts as early as possible.

The group also provides resources to enable clients to address labor and employment questions on their own, when appropriate. During 2008-09, the group assisted in the resolution of numerous highly sensitive personnel matters and counseled on a host of topics including voluntary separation programs, work furloughs, employment stemming from the H1N1 virus, modifications to the systemwide Whistleblower Policy, and comprehensive revisions to University leave policies.
Securing Benefits for Faculty and Staff

Outstanding employee benefit programs form the cornerstone of UC’s efforts to recruit and retain the most talented faculty and staff. During 2008-09, the benefits attorneys’ efforts have focused on keeping plans compliant with the many changes in federal and state law made in response to a faltering economy, court approval (and subsequent voter rejection) of same sex marriage, and heightened concerns over the security of personal information.

Looking to the future, the benefits attorneys also provide critical legal support to the President’s Task Force on Post Employment Benefits, which is charged with providing long-range strategies to ensure retiree programs remain sustainable and responsive to the University’s needs.

Subject Overview of Work

- 45% Employment & Benefits Advice/Counseling
- 40% Labor Relations Advice & Claims
- 15% Education/Training

“The professionalism and collegiality exemplified by attorneys in this [group] merits our strongest commendation.”

Lubbe Levin  
Associate Vice Chancellor  
UCLA Campus Human Resources

Labor, Employment & Benefits

Group Members:

- Jeffrey Blair  
  Deputy General Counsel
- Susan von Seeburg  
  Managing Counsel
- Lucy Adams  
  Senior Legal Secretary
- Trisha Buresh  
  Senior Legal Secretary
- Barbara Clark  
  Principal Counsel
- Steve Cohen  
  Principal Legal Analyst
- Patti Garrett  
  Senior Legal Secretary
- Stephanie Leider  
  Senior Counsel
- Betsy McQuaid  
  Principal Legal Analyst
- Damyanti Naicker  
  Senior Legal Secretary
- Ned Opton  
  University Counsel
- Ina Potter  
  Senior Counsel
- Valerie Shelton  
  Senior Counsel
- Sharon Thomas  
  Principal Legal Analyst
- Leslie Van Houten  
  Senior Counsel
**Land Use and Environmental Health and Safety Group**

The land use and environmental health and safety group works with all 10 campuses, associated Natural Reserve System holdings, and Lawrence Berkeley National Laboratory to provide legal advice and support for environmental review of campus construction and real estate projects, and environmental, health and safety matters.

**Strengthening Campus-Community Relationships to Enhance Project Delivery**

Historically, communities opposed to UC’s growth have sued UC to halt or modify campus development plans by asserting that the environmental impacts have not been properly studied and mitigated as required by the California Environmental Quality Act (CEQA). Such lawsuits result in project delays, inflated construction costs, and strained University-community relationships.

By assisting UC in preparing thorough CEQA documents, litigation defense, and settlement negotiations, the group has facilitated improved University-community relationships, thereby improving the ability of the campuses to deliver timely and cost effective capital projects to meet enrollment and academic demands.

One example in 2008-09 was the CEQA settlement achieved by the Santa Cruz campus with the City of Santa Cruz, which boosted public confidence in and brought transparency to the campus’s capital development programs.

“The agreement sets the course for a new collaborative relationship in the Santa Cruz community, one that I hope and expect will become a model for campus and community relations everywhere.”

Chancellor George Blumenthal
August 9, 2008, UCSC Campus Announcement

**Defending Legal Challenges to Land Use Projects**

In 2008-09, the land use attorneys assisted UC in its approval of 49 projects (i.e., two Long-Range Development Plans (“LRDPs”) and 47 capital projects) and 44 associated CEQA documents, prompting two lawsuits regarding a single capital project.

**Land Use Projects Inventory**

(Numbers are Cumulative for Each Fiscal Year)

<table>
<thead>
<tr>
<th></th>
<th>2008-09</th>
<th>2007-08</th>
<th>2006-07</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEQA Documents Reviewed</td>
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<td>29</td>
<td>17</td>
</tr>
<tr>
<td>Capital Project Approvals</td>
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<td>26</td>
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<tr>
<td>LRDP Approvals</td>
<td>2</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Lawsuits Prompted</td>
<td>2</td>
<td>6</td>
<td>7</td>
</tr>
</tbody>
</table>

“The settlement [with UCSC] was an unprecedented victory for the local community. We gained enforceable commitments from the [U]niversity and it gives us a much stronger degree of comfort.”

Mayor Cynthia Matthews, City of Santa Cruz
April 8, 2009, Santa Cruz Good Times
The group supported UC in its defense of 15 lawsuits during 2008-09 and achieved favorable results, as follows.

Two of the three challenged LRDPs are in effect and being implemented, one as a result of proactive community settlement facilitated by the group, and the other due to a final judgment following briefing in the California Supreme Court. The third LRDP is on appeal following a narrow trial court decision finding that additional environmental analysis was required based on regulatory changes occurring after the initial CEQA review had been completed.

Of the five challenged capital projects, two were determined CEQA compliant at the trial court level and, although appeals were filed by UC’s opponents, project construction is not prohibited. Another of the capital projects challenged was resolved through settlement and is under construction.

**Streamlining Delivery of New Facilities**
The environmental review process under CEQA is often the “critical path” for on-time delivery of UC projects. In 2008-09, to streamline the CEQA process and to reduce reliance on outside counsel, the land use attorneys worked with UCOP’s Physical Design and Development team to develop user-friendly tools, including standard templates and guidance for the campuses to use on all of their individual projects.

Simplifying the process and providing greater certainty regarding the legally required documentation and procedures should reduce the campus work load, as well as outside counsel fees and consultant costs, and provide for quicker project turnaround.

Standardizing the process should also reduce litigation risk by ensuring that all UC environmental documents can withstand legal challenge.

**New Training Program for Campus Planners and Project Proponents**
In 2008-09, the land use attorneys participated in UCOP training for campus planners, and have begun to develop a program to educate key constituents on each campus regarding legal aspects of the CEQA process and project approval. This program is designed to help project proponents in all campus departments, including real estate, capital projects and purchasing, meet state law requirements, without slowing project delivery.

**Richmond Build: Settlement Provides Grant to the Community**
In 2008-09, the environmental attorneys assisted the Berkeley campus in the negotiation of a Consent Agreement between the Berkeley campus and the California Department of Toxic Substances Control (DTSC) which resolved alleged violations of hazardous waste permit requirements at the Richmond Field Station during remediation in 2002 to 2004.

The Consent Agreement is unique in that 50 percent of the total $285,000 penalty will benefit the community in the form of a grant to Richmond Build, a nationally recognized program run by the City of Richmond, which provides disadvantaged and at-risk youth pre-apprentice training in construction and solar panel installation.

**Major Milestones in Cleanup Action at Federal Superfund Site**
During 2008-09, the environmental attorneys assisted the Davis campus in achieving major milestones at the Laboratory for Energy-Related Health Research (LEHR) federal Superfund site in the ongoing investigation and cleanup of residual radioactive waste and other hazardous substances on portions of the campus.

The LEHR facility was used in the 1950s and 1960s to study potential health effects of radioactive fallout from atmospheric nuclear tests. This research was funded by the Atomic Energy Commission which later became the Department of Energy (DOE). DOE and the Davis campus have been investigating the extent of contamination at the LEHR facility since 1995.
Land Use Group (continued)

In 2008-09, the campus and DOE completed negotiations on a Memorandum of Understanding which will result in the recording of a land use covenant protecting future users of the site and providing funding to the campus to monitor conditions at the site.

Environmental Subject Matters by Percent of Time

- 20% Contaminated Property Remediation
- 20% Defense of Environmental Litigation
- 15% Defense of Administrative Enforcement Actions
- 12% Radioactive Material License
- 10% Chemical & Hazardous Material Advice
- 5% Air Permits & Variances
- 5% Storm Water
- 5% Water Permits
- 4% Miscellaneous
- 2% OSHA Investigations
- 2% Endangered Species/Natural Resources

Land Use and Environmental Health and Safety Group Members:

- Tina Combs, Deputy General Counsel
- Kelly Drumm, Senior Counsel
- Anthony Garvin, Senior Counsel
- Elisabeth Gunther, Senior Counsel
- Barbara Bray, Senior Legal Secretary
- Gloria Samson, Senior Legal Secretary

Legislative Affairs

During 2008-09, the Office of the General Counsel reorganized and systematized its legislative affairs services, to provide a single point of contact and liaison for UC clients regarding legal analysis of proposed legislation. The coordinating attorney identifies the OGC subject matter expert, and then ensures that the identified attorney provides the legal analysis and advice requested.

This service delivery model enables OGC to leverage all of its attorney resources to provide timely, interactive support throughout the dynamic and fast-paced legislative process.

Determining the Legal Impact of Proposed State and Federal Legislation

OGC provides legal analysis regarding the impact that proposed State and Federal legislation could have on the operation of UC’s campuses and medical centers. OGC advises multiple client departments within the Office of the President, as well as the governmental relations staff of the individual campuses and medical centers.

During the current session of the Legislature, OGC has provided written analysis of more than 40 separate pieces of legislation. OGC also provides legal review of all legislation, and any amendments, proposed by UC.

Collaborating with UC Policy Analysts and Legislative Directors to Develop and Communicate UC’s Legislative Position

Two units within the Office of the President—the State Governmental Relations and Federal Governmental Relations—are responsible for identifying legislation of interest to UC. Other units within the Office of the President are responsible for providing policy analysis of that legislation.

During the current session of the Legislature, State Governmental Relations identified more than 850 bills that could potentially impact UC—of which more than 360 could have a significant impact. In addition to providing pure legal analysis, OGC actively participated in coordinated internal and external responses to these bills.
During 2008-09, OGC attorneys testified before committees of the State Legislature and Congress concerning matters of vital interest to UC, such as strengthening protections for whistleblowers who report wrongdoing.

**Assisting UC in Streamlining its Legislative Effort**

In 2008-09, the legislative policy analysis process within the Office of the President was reorganized and significantly streamlined. OGC partnered with the Office of the President to enable this process. An OGC attorney served on the restructuring committee, assisted in the drafting of its recommendations, and provided enhanced transitional support for the legislative policy analysis function during organization of the new Issues Management, Policy Analysis and Coordination unit.

**Legislative Affairs Point of Contact:**

David Robinson  
Senior Counsel

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**Litigation Group**

The litigation group represents the University and overseas outside counsel in all litigation except construction, patent and environmental matters. The litigation group also participates in appellate cases and in other adversarial proceedings including writs, internal administrative hearings, and representation of University witnesses in depositions or trials.

**Diverse Variety of Cases**

The largest number of litigated cases fall within the University's professional, employment, and general liability self-insurance programs. These programs collectively represent approximately 84 percent of all litigation, excluding construction, patent and environmental litigation. The nature of the remaining 16 percent of cases is set forth in the chart below. These include commercial, probate and academic cases, the latter frequently involving constitutional challenges to policies and their implementation.

**Newly Filed Cases Handled Directly by Litigation Group (Total 315)**

- **56%** Professional Liability (176)
- **19%** General Liability (61)
- **9%** Employment (30)
- **5%** Subpoenas (15)
- **4%** Estate/Trust (12)
- **3%** Other (9)
- **1%** Bankruptcy (4)
- **1%** Small Claims (3)
- **1%** Commercial (3)
- **1%** Pre-Litigated Claims (2)
Litigation Group  (continued)

Panoramic Hills and “Tree Sitters” Cases
As an example of its work in 2008-09, the litigation group was directly involved in all aspects of the Panoramic Hills and tree sitters cases, which garnered national media attention. In response to the Berkeley campus’s plan to build a High Performance Athletic Center on the side of the football stadium, necessitating the removal of oak trees, dozens of protestors climbed into trees and set up an elaborate encampment consisting of a network of wooden platforms in over a dozen trees connected by ropes which the protestors traversed at up to 80 feet above the ground.

At the same time, the Panoramic Hills neighborhood group, the City of Berkeley, and the California Oaks Foundation filed 18 challenges to the Center under the California Environmental Quality Act and six challenges under the Alquist-Priolo Act (which prohibits certain types of construction over active earthquake faults).

The litigation group, working in coordination with UC Berkeley campus counsel, obtained a preliminary injunction against the trespassing tree protestors. An attorney from the litigation group enforced the injunction by filing contempt proceedings against continuing violators. This proved to be an effective method to manage the protestors and resulted in many of them leaving the trees. Another member of the group, working closely with an attorney in the environmental group, opposed the challenges to the Center and participated in the resulting protracted court proceedings.

In June 2008, the Court issued a decision vindicating the University's position. Immediately after the Court of Appeal denied a requested stay, the campus used the preliminary injunction against the remaining tree sitters to peacefully remove them and to cut down the trees, thus allowing construction of the Center to proceed.

Outside Counsel Fee Reduction Strategies
The litigation group constantly strives to reduce outside counsel fees by handling as many matters in-house as possible. Additionally, the litigation group participated in the following two projects to further reduce outside counsel costs:

- **Accelerated Claims Closure**: This approach examines open claims, determines as early as possible which cases should be settled and then directs efforts toward an early resolution of these cases. The University’s actuary has calculated that Accelerated Claims Closure has saved approximately $3.2 million in its first six months.

- **Enhanced Training**: The litigation group and others target campuses with higher than average litigation and offer training to managers and employees to reduce workplace conflicts which lead to litigation.

### Litigation Group Members:

- Jeffrey Blair  
  Deputy General Counsel
- Eric Behrens  
  Managing Counsel
- Holly Ackley  
  Senior Counsel
- Beverly Barker  
  Executive Secretary
- Trisha Buresh  
  Senior Legal Secretary
- Carolyn Carolina  
  Senior Legal Secretary
- Ann Del Simone  
  Principal Legal Analyst
- Bill Eklund  
  Senior Counsel
- Michael Goldstein  
  Senior Counsel
- Shari Guzman  
  Senior Legal Secretary
- Norman Hamill  
  Senior Counsel
- Lee Jackson  
  Senior Counsel
- Naomi McPherson  
  Senior Legal Secretary
- Damyanti Naicker  
  Senior Legal Secretary
- Christopher Patti  
  Principal Counsel
- Robyn Roszel  
  Principal Legal Analyst
- Cynthia Vroom  
  Senior Counsel
- Richard Wilson  
  Senior Counsel
- Margaret Wu  
  Senior Counsel
- Carolyn Yee  
  Senior Counsel
Technology Transfer Group

The technology transfer group supports 10 campus technology transfer and sponsored projects offices, the UCOP Office of Research and Graduate Studies, and the UCOP Office of Federal Governmental Relations, in their efforts to bring the benefits of University research to the public.

The activities encompassed by “technology transfer” continue to evolve to include the many ways UC partners with industry (including patent and intellectual property licensing) to transform technological breakthroughs made by UC inventors into new products and services in the commercial marketplace.

Settlement of Two Major Patent Infringement Cases Generates $4.4 Million in Revenue

During 2008-09, technology transfer counsel helped settle *Boston Scientific v. Micrus* and *Boston Scientific v. Cordis*, two patent infringement cases involving UC patents on a brain aneurysm treatment originating from research performed at UCLA.

UC’s licensee, Boston Scientific, asserted UC’s patents against Micrus and Cordis; UC was not a party, and did not incur any unreimbursable costs in connection with these cases.

The group assisted in negotiating settlements that permitted Boston Scientific to sublicense the UC patents to Micrus and Cordis, with UC receiving $2.6 million from Micrus and $1.8 million from Cordis.

Weighing-In on Patent Reform and Orphan Works Bills, FTC Hearings

In 2008-09, to help maintain the effectiveness of patents as a tool for technology transfer (including preserving the value of patents for innovators), the group provided advice on the effects of pending patent reform legislation to the UCOP Office of Federal Governmental Relations, University management, university-related organizations, and Congress.

In fall 2008, the group provided advice on Eleventh Amendment (sovereign immunity) provisions in the then-pending orphan works bill (to reduce exposure of good-faith users of a creative work where the author cannot be found to secure permission to use the work), to facilitate state entity participation in the benefits of the bill.

In spring 2009, upon invitation, the group testified in Federal Trade Commission hearings seeking feedback on the evolving markets for patented technology, and the impact of patent law changes on innovation and competition.

Supporting UC’s Invention and Licensing Portfolios and Industry Interface

In 2008-09, the group supported the University’s research enterprise by conducting, and meeting client deadlines for, over 3,000 technology transfer-related reviews and counseling actions. These ranged from individual contract provisions and discrete questions, to entire contracts and complex issues (relating to the UC-industry interface, and UC’s extensive invention and licensing portfolios).

<table>
<thead>
<tr>
<th>Number of Reviews and Counseling Actions</th>
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<tbody>
<tr>
<td>3909 2008-09</td>
</tr>
<tr>
<td>3785 2007-08</td>
</tr>
<tr>
<td>3251 2006-07</td>
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<tr>
<td>3064 2005-06</td>
</tr>
</tbody>
</table>

Resolving the Technology Transfer Disputes Inventory

During 2008-09, the group helped clients manage and resolve technology transfer disputes, including patent infringement actions, breach of contract actions, and inventorship disputes. Inventorship disputes include interferences, which are administrative proceedings in the U.S. Patent Office to determine which of two or more competing sets of inventors are entitled to a patent on one invention.

<table>
<thead>
<tr>
<th>Technology Transfer Disputes Inventory</th>
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<tbody>
<tr>
<td>(Numbers as of June 30 of Each Fiscal Year)</td>
</tr>
<tr>
<td>8  Actions in Court  2008-09</td>
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<td>14  2005-06</td>
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<td>4  Other Disputes  2008-09</td>
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<td>9  2007-08</td>
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<tr>
<td>18  2006-07</td>
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<tr>
<td>13  2005-06</td>
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</tbody>
</table>
“[The technology transfer group] plays a critical role in significantly reducing the risk associated with UC aggressively pursuing protection of ... its [intellectual property] and the exposure of the University to other property related litigation, and thus benefits the faculty and research programs on the campuses.”

ad hoc Committee of UC Vice Chancellors for Research & Campus Technology Transfer Office Directors December 19, 2008

**Technology Transfer Group Members:**

- Tina Combs
  Deputy General Counsel
- Marty Simpson
  Managing Counsel
- Nancy Chu
  Senior Counsel
- Rita Hao
  Senior Counsel
- Catherine Lindorfer
  Principal Legal Analyst
- Naomi McPherson
  Senior Legal Secretary
- Margaret Michel
  Principal Legal Analyst
- Debbie Potter
  Senior Legal Secretary
- Sandra Schultz
  University Counsel
Acknowledgements

The following staff played an important role in the department, and we value and acknowledge their dedication and service.

Piet Bereal  
Receptionist

Josefina Reyes  
Administrative Specialist

Antonio Flores  
Administrative Assistant III

Kenny Saephan  
Assistant II

Linda Gonzales  
Management Services Officer II

Rosita Soriano  
Records Assistant

Luciana Johnson  
Administrative Specialist

Karen Taylor  
Business Manager

Chew Ling  
Library Specialist

Melvena Weaver  
Administrative Specialist

Chris Orr  
Information Services Manager

Sylvia Woods  
Administrative Specialist

Barbara Peck  
Coordinator

Karen Wormley  
Personnel Manager

Desmond Perryman  
Senior Clerk

We also acknowledge and thank the following individuals for their contributions and work on the 2008-09 Annual Report.

Vanessa Correa  
Creative Director, Communications

Tina Combs  
Deputy General Counsel, OGC

Katherine Edwards  
Director, Communications

Nancy Chu  
Senior Counsel, OGC

Kate Brown  
Designer, Communications

Cheryl Marshall  
Principal Legal Analyst, OGC

Nathan Caffee  
Production Manager, Communications

Stephen Morrell  
Managing Counsel, OGC

Harry Mok  
Principal Editor, Communications

Debbie Potter  
Senior Legal Secretary, OGC

Jose Pantoja  
Designer, Communications