



OFFICE OF THE CHANCELLOR
405 HILGARD AVENUE
LOS ANGELES, CALIFORNIA 90095-1405

November 6, 2009

UCLA DA 551.08

EXECUTIVE VICE CHANCELLOR & PROVOST SCOTT L. WAUGH
VICE CHANCELLOR GERALD S. LEVEY, MEDICAL SCIENCES
ADMINISTRATIVE VICE CHANCELLOR SAM J. MORABITO,
VICE CHANCELLOR STEVEN A. OLSEN, FINANCE, BUDGET & CAPITAL PROGRAMS

Delegation of Authority – Settlement of Non-Employment Claims With a Value of \$100,000 or Less

- References:**
- (a) The Regents' Policy on Settlement of Litigation, Claims and Separation Agreements adopted September 15, 1995, as amended November 20, 2008.
 - (b) UC DA 2222 (To Approve Settlements of Claims and Separation Agreements With a Value of \$100,000 or Less and Voluntary Separation Program Agreements of Less Than \$50,000) to Chancellors, dated May 29, 2009;
 - (c) UC Delegation No. 2008-03 (Authority to Approve Certain Non-Court Litigated Settlements) to Chief Campus Counsels, dated January 22, 2008.
- Supersedes:** UCLA DA 551.07 (Settlement of Non-Employee Claims Involving Consideration of Less than \$50,000) to Administrative Vice Chancellor Morabito, Vice Chancellors Levey, and Olsen, et al., dated 5/1/2007.

Effective as of the date above, I hereby delegate to you the authority to approve settlements of non-litigated non-employment claims (claims) for matters under your respective jurisdictions, when the consideration paid or received is \$100,000 or less. Litigated settlements must be reviewed and approved by Office of the General Counsel, except as specified in UC Delegation No. 2008-03, referenced above. The authority to settle claims is to be exercised subject to and in accordance with Reference (a), above. Litigated settlements or separation agreements that involve significant questions of University policy may require approval of The Regents. As used in this delegation, a "claim" is a disputed demand for payment from an entity or individual (including employees) made other than through litigation. "Litigation" is defined as legal proceedings in the form of a lawsuit, arbitration proceeding, or internal or external administrative proceeding. Delegated authority to execute settlements of employment claims and separation agreements is articulated in a separate campus delegation, UCLA DA 672.03. Commercial negotiations to adjust amounts payable under a contract shall not be treated as claims.

All agreements must be approved as to legal form by University Counsel prior to execution unless the agreement is in a form previously approved by that office and is issued without revision. The release provisions of all settlements of claims, regardless of the amount of consideration, must be in a format approved by the General Counsel.

Subordinate campus officers, as noted below, are authorized to settle claims and review and recommend for settlement all litigated and non-litigated claims within their respective areas of administrative responsibility, in accordance with the Settlement of Non-Employment Claims Delegated Authority Matrix set forth below, and subject to and in accordance with Reference (a), above. Such

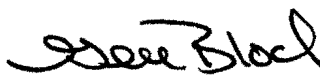
recommendations shall be coordinated through the appropriate risk management offices and submitted on the settlement authorization request form required by such office.

Settlement of Non-Employment Claims Delegated Authority Matrix				
Recommend for Settlement All Litigated and Non-Litigated Claims Over*:				
Recommend for Settlement All Litigated Claims Up to*:				
Recommend for Settlement All Non-Litigated Claims Between*:				
Settle Non-Litigated Claims Less than:				
Executive Vice Chancellor & Provost	\$100,000	\$100,000-\$500,000	\$500,000	\$500,000
Vice Chancellor, Finance, Budget & Capital Programs	\$100,000	\$100,000-\$500,000	\$500,000	\$500,000
Administrative Vice Chancellor	\$100,000	\$100,000-\$500,000	\$500,000	\$500,000
Associate Vice Chancellor, Campus Human Resources	\$100,000	\$100,000-\$500,000	\$500,000	n/a
Executive Director, Campus Service Enterprises	\$100,000	\$100,000-\$500,000	\$500,000	n/a
Director, Insurance & Risk Management	\$50,000	\$100,000-\$500,000	\$500,000	n/a
Vice Chancellor, Medical Sciences	\$100,000	\$100,000-\$500,000	\$500,000	\$500,000
Associate Vice Chancellor, Hospital System & Chief Executive Officer, Medical Center	\$100,000	\$100,000-\$500,000	\$500,000	n/a
Sr. Associate Director, Medical Center Patient Relations & Human Resources	\$100,000	\$100,000-\$500,000	\$500,000	n/a
Director, Medical Center Risk Management	\$100,000	\$100,000-\$500,000	\$500,000	n/a

* Note: Settlement of claims for amounts exceeding \$100,000 requires the concurrence of General Counsel

Each of you will provide the Vice Chancellor--Legal Affairs with a quarterly report identifying the settlements approved under this redelegated authority. A report of settlements (and separation agreements) involving consideration of \$50,000 or more must be transmitted to the General Counsel through Campus Counsel for required reporting to The Regents.

This delegation is being issued due to the supersession of the parent UC delegation (UC DA 2214, issued 12/12/08). The substantive changes to the delegation being superseded are the maximum amount of the consideration that may be paid has increased from <\$50,000 to <\$100,000, and that may be recommended for settlement has increased from \$100,000 to \$500,000. Specimen signatures are no longer required by the Office of Risk Services. Any redelegation of this authority beyond that noted in the matrix above shall be in writing with a copy to me and those listed below.



Gene D. Block
Chancellor

Attachment

cc: President
Executive Vice President--Business Operations
General Counsel & Vice President--Legal Affairs
Vice Chancellor --Legal Affairs
Universitywide Policy Coordinator
Manager, Administrative Policies & Delegations

ATTACHMENT A

The Regents of the University of California Policy on Settlement of Litigation, Claims and Separation Agreements

POLICY ON SETTLEMENT OF LITIGATION, CLAIMS, AND SEPARATION AGREEMENTS

Adopted September 15, 1995

As amended July 20, 2000, May 18, 2006, and November 20, 2008

The Regents adopt the following Policy on Settlement of Litigation, Claims, and Separation Agreements establishing the authority of The Regents, the President, and the General Counsel and requirements with respect to reporting of settlements and separation agreements.

(1) As used in this Policy, the following terms shall have the meaning specified:

a. "Claim" shall refer to any demand for payment from an entity or individual, including a University employee, which is disputed in whole or in part and is made other than through litigation. Commercial negotiations to adjust amounts payable under a contract shall not be treated as "claims."

b. "Litigation" shall refer to legal proceedings in the form of a lawsuit, arbitration proceeding, or internal or external administrative proceeding.

c. "Separation Agreement" shall refer to an agreement with a University employee by which the employee separates from University employment, but which does not involve a "claim" or "litigation," as defined above.

d. "Consideration" shall refer to a monetary commitment on the part of the University, whether in the form of a lump sum cash payment, or compensation for services for a specified term, or individually-negotiated payments for benefits (e.g., COBRA), or a non-monetary commitment on the part of the University; it excludes payments for salary and benefits previously earned by the employee (e.g., earned vacation leave) or continued employment on the same terms as existed prior to the agreement. When consideration is received by the University, it can also be monetary or non-monetary.

(2) Settlement Authority of the President

The President shall have authority to settle claims and to enter into separation agreements when the consideration paid or received by the University has a value of \$500,000 or less. Settlement of claims or separation agreements when the consideration paid or received by the University exceeds \$100,000 shall require the concurrence of the General Counsel. The release provisions of all settlements of claims and separation agreements, regardless of the amount of consideration, shall be in a format approved by the General Counsel. Settlement of claims and separation agreements by the President shall be subject to appropriate funding.

(3) Settlement Authority of the General Counsel

The General Counsel shall have authority to settle claims and litigation when the consideration paid or received by the University has a value of \$500,000 or less. All litigation settlements shall be reviewed and approved by the General Counsel. Settlement of claims or litigation by the General Counsel shall be subject to appropriate funding.

(4) Reporting of Settlements and Separation Agreements

a. Annually by the General Counsel, all settlements of claims and litigation, and all separation agreements, when the consideration paid or received by the University has a value greater than \$50,000.

b. At each regular meeting of The Regents, the Regents shall receive a report from the General Counsel of all settlements of claims and litigation, and all separation agreements, when the consideration paid or received by the University has a value greater than \$100,000 and up to \$500,000.

c. At each regular meeting of The Regents, the Regents shall receive a report of all settlements of claims and litigation and all separation agreements approved by the Chairman of the Board and the Chairman of the Committee on Finance pursuant to section 5.a. hereof.

(5) Settlement Actions Reserved to The Regents

The following proposals for settlements of claims or litigation or for separation agreements shall be submitted to the Chairman of the Board and the Chairman of the Committee on Finance or to The Regents for prior approval:

a. To the Chairman of the Board and the Chairman of the Committee on Finance, when the consideration to be paid or to be received by the University has a value greater than \$500,000 and up to \$1,000,000.

b. To The Regents, when the consideration to be paid or to be received by the University has a value in excess of \$1,000,000.

c. To The Regents, settlements or separation agreements of any amount involving significant questions of University policy.

d. To The Regents, settlements or separation agreements of any amount with Officers of the University (Standing Order 100.1(a)) and Officers of The Regents (Bylaw 20.1).

All settlement and separation agreement proposals which require approval by either the Chairman of the Board and the Chair of the Committee on Finance, or by the full Board, shall be accompanied by the recommendation of the General Counsel and a statement of the applicable fund source.

With regard to faculty members with tenure or security of employment, in the event that a faculty member's resignation and severance compensation is deemed by the President to be in the best interests of the University, pursuant to Standing Order 103.7, any resulting separation or settlement agreement shall be subject to this policy.