

ACADEMIC COUNCIL

Approved

Minutes of Meeting

Wednesday, February 22, 2006

9:30 a.m. – 4:30 p.m.

CSU East Bay, OPDCC2

I. Chair's Announcements

- **Cliff Brunk, Chair**

State Senate Education Committee Hearings: Chair Brunk announced that President Dynes and other members of UC's senior management are in Sacramento today for a second information hearing with the Senate Education Committee on UC compensation practices. Regent Parsky is also in attendance at the hearing today and is expected to testify. Two weeks ago, Chair Brunk attended the first UC compensation hearing with the state Senate Education Committee. Chair Brunk reminded the Council that he had distributed copies of his talking points and full presentation to Council members immediately following the hearing, and reported that those documents were intended to reflect the Academic Senate Compensation Principles as adopted by the Council and Assembly. He noted that it is his role as chair of the Academic Senate to accurately reflect the positions of the Academic Senate and not his own personal opinions, and that he takes this role seriously. Chair Brunk continued, saying that all committee chairs should do the same for their committees. Chair Brunk also announced that following the Senate hearing, he expressed to a legislative aide the Senate's opposition to SB 1117, a bill which would seek to rescind the constitutional autonomy of the Regents under certain circumstances.

Regents' Task Force on Compensation: Chair Brunk noted that this task force is charged to make new innovations in UC compensation. He announced to Council members that he is serving on this task force not as a representative of the Senate nor of the faculty, but rather as an "informed individual;" and that he has made these points clear to the other members of the task force. Further, Chair Brunk reported that he has written a note on "UC Faculty Compensation," with assistance from Assistant Vice President Ellen Switkes, which includes the following two proposals: (1) UC should abandon the tie between faculty salaries and UC's system of rank and step grading of faculty, because Chair Brunk is in agreement with others, such as James Duderstat, former President of the University of Michigan and Regents' task force member, that this system is antiquated and a major problem for UC recruitment efforts; and (2) all faculty salary increases should be based on merit increases, and COLA increases for faculty should be abandoned.

Questions, Answers and Comments:

Q: What is the basis for your recommendations on faculty compensation?

A: I am a member of the task force because the Regents asked me to take part, as an individual. I do not represent the faculty or the Senate while serving as a member of this task force.

Comment: Proposals like the ones you have suggested should be required to go through appropriate Senate consultation processes.

Comment: The Regents' task force should not be making actual recommendations on UC compensation policy, but rather, they should propose processes for creating recommendations. It appears as though the charge of the task force is much too broad.

Q: Do you think you would be on the task force if you were not the chair of Academic Senate?

A: Probably not. I do not think the task force believes that I represent anything other than the opinion of an informed individual, and not the opinions of the Academic Senate, faculty or the Academic Council.

Q: Did you receive a letter of appointment to this task force, and if so, who was the author?

A: I am unsure about that and will have to look for such a letter.

Comment: Today I have heard two of the most disconcerting things I have heard since my tenure serving on the Academic Council. First, I learned long ago that "it is the position and not the person" that people are interested in. You cannot operate in any way other than that you are the chair of the Academic Senate. Your individual opinions are irrelevant and you cannot speak otherwise. Second, our single greatest strength is that we have excellent faculty, due to in large part to our uniform salary scale and peer-reviewed processes for faculty salaries and rank and step. It is greatly distressing how the faculty salary scale has eroded to the point where the Senate's salary-setting authority has shifted to the deans and vice chancellors. Our priority must be to protect this system, and adjust the faculty scale rather than what you have appeared to propose to the Regents' task force.

Reply: The task force is an independent body trying to provide for the University independent options for UC compensation. The task force has met six times so far. I am very interested in the position paper authored by James Duderstat.

II. Approval of the Agenda

ACTION: Council approved the amended agenda as follows:

- Item XI, discussion of formal review of APM 220-18.b (4), will be considered at the March 22, 2006 Council meeting.
- Item XIV, the Science Mathematics Initiative Group update, will be postponed.

III. Consent Calendar

- 1. November 30, 2005 Revised Minutes**
- 2. January 25, 2006 Minutes**
- 3. Funding for On-Campus Childcare**

ACTION: Item 1, the November 2005 minutes, was removed from the consent calendar for a minor revision.

ACTION: Item 3, Funding for On-Campus Childcare, was removed from the consent calendar for additional discussion at the March 22, 2006 Council meeting, with a request that additional background materials be provided in advance.

ACTION: The January 25, 2006 minutes were approved with no amendments.

IV. Report of the Academic Council Subcommittee on Senate Governance

- **Faye Crosby, UCSC Divisional Chair**
- **Deborah Greenspan, UCSF Divisional Chair**
- **Denise Segura, UCEP Chair**
- **Dan Simmons, UCD Divisional Chair**

EXECUTIVE SESSION – AGENDA ITEM IV ONLY

(10:15a.m. – 12:00p.m.; continued from 1:00 – 2:00p.m., and 3:10 – 4:30p.m.)

V. Consultation with the Office of the President – Senior Managers

- **Rory Hume, Acting Provost and Senior Vice President, Academic Affairs**
- **Joe Mullinix, Senior Vice President, Business and Finance**

Acting Provost Hume

State Senate Education Committee Hearings: President Dynes is in Sacramento today for a second informational hearing before the state Senate Education Committee. Also in attendance is Regents' Chairman Parsky. Both intend to discuss UC compensation practices and actions the University has taken in response to these concerns.

Eligibility and Admissions Study Group II: Acting Provost Hume announced that the Regents have decided to restart Study Group II.

Systemwide Academic Planning: Acting Provost Hume is confident that the plan for evaluating systemwide academic planning is feasible. Although the entire plan is not yet final, work will begin soon among the Executive Vice Chancellors to discuss their current academic processes. At the end of March, the campus Chancellors will be requested to address a first round of questions stemming from discussions of the Academic Planning Council. Next, in fall 2006, Acting Provost Hume plans to visit with the Chancellors, Executive Vice Chancellors and Senate representatives regarding what planning processes have yielded so far and their plans for the future. In January 2007, Acting Provost Hume will formally consult with Senate representatives, especially members of campus and systemwide Planning and Budget committees and the Executive Vice Chancellors, and President Dynes will also meet with the Chancellors concerning the same topics. During the plan's second year, more pointed questions will be asked about enrollment growth and projections, given the University's need to balance undergraduate and graduate growth in the future, and the Regents' need to plan for strategic resource allocation.

Science Mathematics Initiative: Acting Provost Hume reported that he looks forward to working with the Senate on this worthwhile initiative. President Bush's State of Union address highlighted problems with the direction of science and mathematics education in the United States and the University intends to capitalize on this interest by working with state and federal legislators. The Senate's SMI Group Chair, Alice Agogino, has been asked to find out whether the programs initiated at the campuses are appropriate. Concerning funding of SMI, the Office of the President has received many promises of external funding, but much more is needed.

Acting Provost Hume noted that he is sensitive to SMI's impact on the campuses, and that he is in close communication with the campus Vice Chancellors for External Affairs. Acting Provost Hume again stressed that the SMI program must be run for the most part at the campuses, with support from the Office of the President.

Education Abroad Program (EAP) Review: The EAP review is underway. Acting Provost Hume noted UCPB's concerns regarding EAP's financing, and expressed his hope that these problems are only short-term. The EAP review will first look at the nature of the EAP program, and then it will evaluate the possible need for administration/structure change, and future funding and resource concerns.

Senior Vice President Mullinix

Regents' Committee on UC Divestment from Sudan: This special committee was established to study UC's possible divestment from Sudan and has met twice, with a third meeting scheduled for tomorrow. The committee looks forward to finalizing its report and recommendations to the Regents before the March Regents' meeting.

UC Hospital Debt Capacity: SVP Mullinix reported on a previous review of UC's financial strategy, which looked at a plan to consolidate all five UC medical centers' debt. This plan did not go forward, yet has been revisited in the last nine months. The group has created a new proposal which will be presented to the Regents at its March meeting.

Regents' Slotting of Senior Level UC Positions: SVP Mullinix reported that the latest plan to slot senior level jobs for medical center personnel, including deans and laboratory staff, will be presented at the March Regents' meeting. So far, there is no plan to slot most positions at LLNL due to the impending RFP, and the Regents may reconsider their review of athletic director and coaches' salaries that rise above the regental threshold. Discussions are ongoing concerning the method of slotting chancellors' salaries to avoid the perception of differentiation among the campuses.

Mortgage Origination Program (MOP): The Office of the President is continuing its review of recommendations for liberalizing the MOP in light of increased housing costs for faculty across California.

Questions, Answers and Comments:

Systemwide Academic Planning

Q: Concerning Systemwide Academic Planning, has a letter been distributed yet to the explaining what the Academic Planning Council is looking for?

A: Not yet. The first year of this planning process only involves learning what planning processes are currently in place at each campus. Right now, we know that seven campuses have good planning processes in place, and three do not.

Q: UCSF is currently working on an academic plan. How will the Systemwide Academic Planning initiative impact our progress?

A: UCSF should go forward with its academic planning. We do not want to direct campus planning efforts, nor influence its outcome.

Q: Have any overarching themes yet emerged from the campuses regarding their individual academic planning processes? I am especially interested in how they might be addressing diversity and graduate student issues.

A: Themes are emerging, and the Long Range Guidance Team still has work to do to solidify the common themes. Diversity issues will be a focus for now, and in the future, they may ask for campus intentions regarding graduate students. Further, the Task Force on Planning for Doctoral and Professional Education is informing this discussion. Lastly, the campuses will be asked for specific enrollment profiles in a couple of years.

Q: How are undergraduates being addressed in the plan for Systemwide Academic Planning? There is a great need to structure and focus on undergraduate education at UC.

A: UCOP is preparing a presentation on UC undergraduate programs for the Regents' March meeting. Also, the Academic Planning Council will be looking at this issue in the near future.

Science Mathematics Initiative/Academic Council Science Mathematics Initiative Group (SMIG)

Comment: The Science Mathematics Initiative Group (SMIG) Chair, Alice Agogino expressed her wish to update the senior managers and Council on SMIG's latest activities. SMIG has conducted two conference calls so far. Chair Agogino then summarized feedback received so far from the SMIG members on how the SMI is working on the campuses. So far, SMIG supports the leadership changes at UCOP to a more institutionalized, shared governance approach. They have concerns regarding a shift of all SMI responsibilities to the campuses, however. SMIG also recognizes that the campuses have agreed to take on more responsibility, but want extra incentives beyond funding, and also still need support from UCOP. Chair Agogino reported that SMIG feels the current funding and certification models do not look promising. She also reported that SMIG is being affected by the problems currently experienced by the Senate office.

Reply: Acting Provost Hume announced that he is willing to provide staffing resources for SMIG, if necessary. He has also received assurances from Vice President Hershman, and others, regarding matching funds for campuses.

UC Compensation Issues

Comment: Later today, Council will discuss the UCPB and UCFW letters which raise serious problems with the way in which the salary slotting was done. We hope that these issues could be addressed before the March Regents' meeting, including full consultation with the Senate. We are concerned that medical centers slotting is being presented to the Regents before the Senate has had the opportunity to study and address certain serious concerns. Moving this slotting plan forward a mistake and the senior management needs to realize the serious problem that is being created, not to mention shaking the public's confidence in UC.

Comment: It is the responsibility of the UCOP senior management to not set the Regents up for failure on these issues. UCOP has not, and is not performing competently to address UC's compensation problems. Furthermore, the faculty must be involved in these discussions immediately, and we want to help.

Comment: The compensation issues have created a crisis for UC which it will not recover for many years. UCOP and other UC leaders should refrain from talking about the need to increase salaries for senior management. It is clear that faculty are upset with how these issues have played out, and the slotting proposal before the Regents in March does not prove that you fully understand the gravity of the problem. This proposal should be shelved for a couple of years, and focus instead on faculty compensation as UC's highest priority.

Reply: To clarify, the slotting plan does not create additional compensation for senior managers. The Regents' intent in requesting the slotting plans was to create more transparency in UC compensation practices.

Comment: UCOP should pay special attention to transparency when or if it addresses the potential stratification of the campuses among chancellors' salaries...

Q: How is UCOP addressing the Compensation Principles approved by the Academic Assembly at its February 8 meeting?

A: The Senate's Compensation Principles will be discussed with the Regents. The Regents have expressed strong opinions on how UC compensation should be set, which do not easily align with the Senate's Compensation Principles.

Comment: As a reminder, UCOP established the original compensation group without faculty involvement, and the Regents' slotting procedures, announced at their January meeting, and were set forward with incomplete research and data information. These facts are indefensible and we have major process issues here.

National Labs

Q: How are the procedures for splitting assets between UCRS and LANL progressing?

A: The LANS proposal is consistent with the LANL RFP, and carefully follows the Department of Energy's requirements. The DOE had performed another calculation on the cost of benefits, which requires amendment of the LANS proposal. There appears to be an increased interest in retirements from LANL, but it is too early to judge how many employees will actually retire. However, we know that the number of retirements will have no impact on the health system.

Comment on Behalf of the Academic Council: The Academic Council wishes Senior Vice President Mullinix the best of luck in his new position and thanks him for his exceptional work with the Academic Senate.

VI. General Discussion (none)

VII. Assembly-Approved Memorial to the Regents on Non-Resident Tuition

Note: This item was discussed during Executive Session. No record of actions has been taken in this session.

VIII. System for Slotting of Senior Management Salaries

- **Stan Glantz, UCPB Chair**
- **Rusty Russell, UCFW Chair**

ISSUE: UCPB has created a set of recommendations and principles regarding the Regents' proposed system for slotting of senior management salaries, which UCFW has endorsed, and requests that Council endorse the principles for transmittal through President Dynes to the Regents.

DISCUSSION: UCPB Chair Glantz introduced the UCPB recommendations and principles, and UCPB's decision to focus on the elimination of non-resident tuition as realistic goal to pursue with the known resources that are available. Many Council members expressed strong endorsement of the UCPB position, and commented on the document's excellent coverage of the issues. Some Council members expressed support, yet hesitated because of the short amount of time they had to discuss the position with their divisional colleagues. Further, members commented that they endorsed UCFW's enclosed letter as well. Council members then recognized the impending timeline for setting the Regents' March agenda, and that Council's endorsement of these documents must be communicated to the President expeditiously.

ACTION: Council voted to approve UCPB's Recommendations and Principles on Compensation for the Senior Management Group, and UCFW's letter of endorsement dated February 13, 2006, for transmittal to President Dynes and the Regents.

IX. UCPB Proposed Principles on Private Fundraising for Salaries

- **Stan Glantz, UCPB Chair**

ISSUE: UCPB has requested Council's endorsement of its proposed principles and policy recommendations on private fundraising for salaries, prompted by the November 2005 Academic Assembly discussions of the Regents' RE-61, Recommendation C.

DISCUSSION: UCPB Chair Glantz offered to postpone Council's discussion of this issue to a later date due to today's time constraints. One Council member questioned whether Council can have more time to bring UCPB's proposal to the divisions for additional review. Members then asked about the process that should be followed for requesting formal systemwide review of a committee proposal. The Executive Director then explained the systemwide review process. UCPB Chair Glantz added that UCPB would like to slightly modify the "regarding" line of the proposal to add greater specificity.

ACTION: Council unanimously consented to amend the UCPB Proposed Principles on Private Fundraising for Salaries to reflect UCPB Chair Glantz's minor modification.

ACTION: Council unanimously voted to send out the amended UCPB Proposed Principles on Private Fundraising for Senior Managers' Salaries at the Level of Dean and Above for systemwide review. Divisional and Campus responses are to be received by the systemwide Senate office in time for consideration at the April 19 meeting of the Academic Council

X. UCFW Report

- **Rusty Russell, UCFW Chair**

1. UCFW Principles Regarding Proposed Benefit Changes

ISSUE: UCFW has assembled a statement of principles concerning proposed changes in retirement benefits and retiree health care that were presented to UCFW at its January 13, 2006 meeting. UCFW requests that Council endorse these principles for communication to President Dynes and the Regents for consideration at the appropriate Regents' discussions of these issues.

DISCUSSION: UCFW Chair Russell explained the origin of the UCFW principles, as authored by UCFW member Bob Anderson, and how they have been communicated already to the Regents through UCFW's committee consultants from Human Resources and Benefits. Some members questioned specifics mentioned in the Principles, and how they impact the retirement plan and the restart of employee and employer contributions scheduled to commence July 1, 2007. Vice Chair Oakley requested that UCFW provide a monthly report to Council on these issues because of Council's inability to address these complicated matters in sufficient detail.

ACTION: Council voted to endorse the UCFW Principles Regarding Proposed Benefit Changes, for communication to President Dynes and the Regents.

2. UCFW Position on Proposed Changes to Retiree Health Plans

ISSUE: This UCFW document is intended to supplement the UCFW Principles Regarding Proposed Benefit Changes, above. The document was drafted by UCFW Bob Anderson to set forth UCFW's reservations and positions regarding specific proposals for changes in the retiree health care plans as presented to UCFW and the UCFW Health Care Task Force.

DISCUSSION: UCFW Chair Russell briefly introduced the UCFW document and explained UCFW's involvement in the consultation process with UCOP-Human Resources and Benefits, and Deloitte Consulting, presenters of the specific proposals on retiree health. Council members asked questions concerning the timeline for these proposed changes with the Regents, and how the proposals may affect future retirees.

ACTION: Council voted to endorse the UCFW Position on Proposed Changes to Retiree Health Plans, for communication to President Dynes and the Regents.

3. UCFW Parking Principles

REPORT: UCFW Chair Russell reported that UCFW is moving forward to reconcile the dueling parking policies which were written by UCOP and the Academic Senate in 2002. UCFW Chair Russell and Council Vice Chair Oakley have two upcoming meetings scheduled with Senior Vice President Mullinix to negotiate a compromise policy. The biggest difference between the UCOP and Senate versions appear to be whether UCOP should cover the full replacement cost of parking spaces that are paid from faculty taxes, only to be later destroyed and replaced with a building. UCFW feels that UCOP should pay the full replacement cost of new parking spaces, which could amount to over \$80,000 per space at some campuses. Further, UCFW Chair Russell has proposed that UCOP credits faculty for the depreciated value of the surface space that is being destroyed. UCFW Chair Russell is confident that they will reach an amicable agreement with SVP Mullinix on these issues.

DISCUSSION: Some Council members expressed concern that the UCOP and/or Senate parking principles might degrade work being performed or already accomplished at the campuses by local transportation/environment committees. Council Vice Chair Oakley explained that the negotiated parking principles, when finalized, would strengthen local policies and processes.

ACTION: UCFW Chair Russell will report to the Academic Council on the UCOP/Senate Parking Principles at the March 22 Council meeting.

XI. Formal Review of APM 220-18.b(4): Criteria for Advancement to Professor VI and Above-Scale Salary Levels

Note: See action under Item II, above.

XII. University Committee on Affirmative Action and Diversity (UCAAD) Recommendations for Local Diversity Committee Empowerment
[This item was not addressed.]

XIII. BOARS Update: Honors Level Grade Point Policy
[This item was not addressed.]

XIV. Update: Science Mathematics Initiative Group (SMIG)
• Alice Agogino, SMIG Chair

Note: This topic was addressed during the Question and Answer session with the Senior Managers, under Item V, above.

XV. Academic Council Special Committee on the National Labs
[This item was not addressed.]

XVI. New Business (none)

Attest: Clifford Brunk, Chair, Academic Council
Minutes prepared by: Michelle Ruskofsky, Policy Analyst

Distributions

[None]