

UNIVERSITY COMMITTEE ON FACULTY WELFARE (UCFW) 2023-24 ANNUAL REPORT

TO THE ASSEMBLY OF THE ACADEMIC SENATE:

Under [Senate Bylaw 175](#), the University Committee on Faculty Welfare (UCFW) considers and reports on matters concerning the economic welfare of the faculty, including salaries, benefits, insurance, retirement, housing, and conditions of employment. UCFW met ten times during the 2023-24 academic year, and the major actions and discussions of ongoing issues are highlighted in this report.

UCFW has two semi-permanent task forces with separate memberships and with particular expertise in: (1) the University of California Retirement System (UCRS) including its policies and its investments (the Task Force on Investment and Retirement, TFIR); and (2) the University's health plans for employees and retirees (the Health Care Task Force, HCTF). These task forces monitor developments and carry out detailed analyses of questions and issues in their respective areas and report back to UCFW for further action. UCFW is indebted to the extraordinary commitment and skills of our task force leadership, Jill Hollenbach (TFIR) and Michael Ong (HCTF). These two task forces spend a great deal of time in consultation with systemwide Human Resources (HR). Many of these consultants, along with Academic Personnel and Programs and others from the Office of the President, also regularly attend UCFW meetings and lend their expertise to our discussions. We are indebted to these consultants, and they are individually acknowledged at the end of this Report.

UNIONIZED LABOR CONSIDERATIONS

Academic graduate students went on strike in the fall of 2022 to secure greater pay and benefits. They were able to achieve a new contract, but implementing the contract has been difficult. UCFW heard concerns about grant funding and distinguishing academic training from compensable labor. The impacts of the negotiated increases are still being felt in areas like admissions and academic labor hiring. Some accounting procedures need further development.

This year, in order to show support for victims of international wars, the academic labor unions sought to strike in sympathy. This and related actions had spill-over impacts to faculty, both in and out of the classroom. Academic discipline and physical safety were both implicated, as were academic freedom and the First Amendment.

In response to the labor considerations, UCFW Chair Heraty and other Senate representatives have been working closely with the administration to prepare for the next round of contract negotiations.

In response to the safety considerations, UCFW met with systemwide Community Safety leadership and the co-coordinator of the UC Police Departments' Council of Chiefs.

FACULTY WELFARE

Housing: Despite recent approvals, lack of affordable housing proximate to UC campuses is pricing many employees out of working for the university, and it is straining the finances of many faculty, especially in expensive housing markets. Planned projects at some campuses will open slowly and not fully address the needs. Affordable student housing is a similar issue. Further, changes to the California home insurance market are exacerbating cost considerations and limiting availability of MOP loans.

Retirement Transition: The Retirement Administration Service Center (RASC) has made significant gains over the past year, although work continues on outstanding projects and certain areas. Reinstatement of the retirement counselor program has been well-received, and staffing improvements and development of dedicated teams for particularly complicated transactions have been successful. UCFW will continue to monitor progress in this important unit.

CASH COMPENSATION

A multi-pronged RFP was developed and issued to secure a vendor to address four areas: a total remuneration study, a benefits survey, an exit survey for staff, and an engagement survey. Senate representatives to the RFP evaluation group pressed repeatedly for a methodology that was parallel to previous total remuneration studies in order to allow for longitudinal analysis. How to study members of the health sciences compensation plan remains under discussion and will hopefully be more carefully considered in the fall. Senate representatives also encouraged development of a panel study for the benefits survey.

The anticipated 4.2% increase to the scales was preserved despite lackluster state returns. There is still a concern that faculty receive their increases only on October 1, and not July 1, as for administrators and employees. Faculty still receive an annual increase, but the October strategy seems to be designed to show a fiscal-year savings for the university (i.e., only a ~3.2% increase for faculty over the fiscal period of July 1-June 30).

HEALTH AND WELFARE BENEFITS

UCFW and HCTF continued to monitor the operations of UC Care. Issues surrounding access to Tier 1 providers at campuses without medical centers was a significant concern.

RETIREMENT ISSUES

TFIR worked to improve communications and planning tools related to the “Second Choice” window of the 2016 UCRP Tier, wherein certain eligible employees may change their initial pension election from defined contribution plan to defined benefit plan. Last year was the first year the new election provision was available as it was the first fifth year

of the Tier. For both initial elections and the “Second Choice” window, a financial modeling tool was created by TFIR for use by prospective and new hires, as well as those facing their second choice. TFIR recommended that the default option in the 2016 tier be changed to Pension Choice, the defined contribution plan, as it best matches the behavior patterns of those who have defaulted in the past. The administration is investigating options to change the default as the submitted data were persuasive. The change should be a priority for 2024-25.

OTHER POLICY ISSUES AND SYSTEMWIDE REVIEWS:

Academic Personnel Manual Revisions: UCFW opined on the following:

- 016 (Faculty Code of Conduct)
- 672 (Negotiated Salary Plan)
- 285 (Lecturers with Security of Employment)

CORRESPONDENCE:

Beyond submitting opinions and recommendations on the topics above, UCFW opined on the following matters of systemwide import:

- Vehicles and Driver Authorization Policy
- SBL 55 (Departmental Voting Rights)
- Vaccination Programs
- SR 424.A.3 (Proposed Area H)
- The Regents proposed University Website Policy
- Controlled Substances Policy
- Students with Disabilities Report

ACKNOWLEDGEMENTS:

UCFW is indebted to its consultants and guests, without whom the committee’s work could not be done:

Academic Affairs: Provost Katherine Newman;
Academic Personnel and Programs: Vice Provost Doug Haynes;
UC Health: Executive Vice President David Rubin;
Human Resources: COO Rachael Nava, Vice President Cheryl Lloyd; Executive Director of Total Compensation Jay Henderson; Senior Director of Health and Welfare Benefits Susan Pon-Gee; Executive Director of UC Self-Funded Health Plans Laura Tauber; Retirement Program Services Executive Director Hyun Swanson; RASC Executive Director Bernadette Green;
Office of the Chief Financial Officer: CFO Nathan Brostrom;
Office of the Chief Investment Officer: CIO Jagdeep Bachher, Associate CIO Arthur Guimaraes, and Director of Defined Contributions Products Marco Merz.

We are particularly grateful for the involvement, support and guidance from the Senate leadership, Chair James Steintrager and Vice Chair Steve Cheung, as well as the advice and perspective provided by Senate Executive Director Monica Lin. Finally, the committee is very highly indebted to Kenneth Feer who has provided able staff support.

Respectfully yours, UCFW 2023-24

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