

Minutes of Meeting

March 13, 2015

I. Chair's Update

*Joel Dimsdale, UCFW Chair*

**Update:** Chair Dimsdale reported on the progress of the joint Senate-administration work group tasked with making recommendations for ladder-rank faculty salary actions in light of the findings of the recent total remuneration study. Above scale increases have emerged as the sticking point, and local practices are inconsistent.

Several significant health care related issues are on the horizon.

II. Health Care Task Force Update

*Robert May, HCTF Chair*

**Update:** The work group investigating whether/how to move forward with a UC Care HMO product continues to hold weekly teleconferences in advance of a mid-April decision deadline. Senate participation in the work group has had a positive impact on the tone and trajectory of the discussions.

*Note: The remainder of this item occurred in executive session; minutes were not taken.*

III. Consultation with Human Resources

*Dwaine Duckett, Vice President*

*Mike Baptista, Executive Director, Benefit Programs and Strategy*

1. Retiree Health MediCare Gap Coverage

**Issue:** Retirees have noted that the MediCare gap coverage offered by UC, even the high-end coverage (Plan F), only covers partial costs for MediCare-approved products; they do not cover products not partially covered by MediCare, such as insulin pumps.

**Discussion:** Members encouraged revision of written materials to make clearer the reimbursement limitations. Members asked if flexible spending accounts could be used for these costs, and Mr. Baptista indicated that tax restrictions prohibit that practice. Health Reimbursement Account funds could be used, but retirees cannot add funds to those accounts.

2. On-campus Retiree Services

**Issue:** Local services have been eroding, and human resources moved pre-retirement counseling services to the Office of the President. Recent retirees have reported trouble making elections, navigating paperwork and bureaucracy, and generally making a successful transition to retirement. CUCEA is willing to facilitate focus groups to better identify needs, and to help craft workshops that can be used at multiple locations.

**Discussion:** Mr. Baptista reminded the committee that Fidelity also offers several levels of service regarding retirement investments; the services are free, and the Fidelity staff are knowledgeable. Members asked if the areas of service for which RASC is responsible could be made clearer, so that questions could be directed most efficiently. RASC can

help retirees make MediCare elections, but Social Security determinations are more complicated and would be referred to federal authorities. Vice President Duckett noted that he had asked RASC supervisors to begin an assessment of RASC customer service quality; UCFW will be kept up-to-date.

3. On-/Near-campus Child Care Services

**Issue:** UCFW has been collecting data to determine the distribution of children by campus by pay band and by health plan enrollment. Similarly, UCFW has tried to assess the child care options and capacity at each location. What child care is available is expensive and accessible only after enduring a lengthy wait-list.

**Discussion:** Vice President Duckett indicated that child care is a local service, and geography encourages continuing that practice. Nonetheless, if there is a minimum threshold of service and capacity that can be identified, local administrators could be encouraged to improve their offerings. Members noted that Stanford gives a cash allowance for child care, and that the Ivy League schools give stipends for child care coverage during faculty travel. Given the impacts on diversity and Senate service, improving child care is an important recruitment and retention strategy. Mr. Baptista reminded members that any services must be made available to all employee groups, and members noted that graduate students and post-doctoral scholars could also benefit from improvements in this area.

Members wondered if a best practices survey could be conducted, but others cautioned against collecting data with no filter. For example, capacity at comparators could be fairly easy to determine, but remuneration impacts would be difficult to assess absent utilization rates and contribution schedules. Vice President Duckett noted that a baseline could be set, and suggested referring the question to his employee relations team. Any study must include analysis of current UC practices, funding arrangements, and near to campus facilities, not just those on campus or sponsored by the institution.

**Action:** VP Duckett will ask Employee Relations to begin investigating this matter.

4. Credit Protection

**Issue:** Mr. Baptista reported that he had asked one of their consultants to assess market options for group credit protection plans. There are no group plans at present, and individual plans cost between \$10-25/month. Prevention is not offered; only monitoring services are available. UC's legal plan, ARAG, has some credit protection services, and about 37K employees are enrolled in the plan. User reviews of ARAG do not address this subtopic.

**Discussion:** Members agreed that monitoring is not the ideal service, but if you are a victim of credit fraud or identity theft, the product is helpful. Others noted that a credit freeze could be an effective prophylactic step for some. Members suggested that training classes might be a more effective method of preventing fraud, and HR concurred.

#### IV. Consultation with Academic Personnel and Programs

*Susan Carlson, Vice Provost*

*Janet Lockwood, Director, Academic Policy and Compensation*

1. Leadership Seminars for Deans and Chairs

**Issue:** Vice Provost Carlson reported that this new program will be available on each campus. It is being funded through climate and professional development funds. Training modules will include, for example, a promotion review scenario to illustrate implicit bias and micro-aggressions in a theater-style presentation. The program will not be required, but it has received significant executive support, so between 50-75% of deans and chairs have participated at the five campuses where the seminars have occurred so far.

**Discussion:** Members asked if associate deans were invited, and VP Carlson indicated that they may be invited to a subsequent series. Members also asked if the seminars were being made at the medical centers, and VP Carlson said they will be, but some curricular changes need to be made. Members asked if bullying was a module, and VP Carlson indicated no, but it is recognized as a topic that does need addressed explicitly.

2. Faculty Exit Surveys

**Issue:** The provost has committed one-time funds to the development of a faculty exit survey. Academic Personnel is looking at the Harvard COACHE model, but the area is still analytically new. UCFW is invited to collaborate on the drafting and review of the survey.

**Discussion:** Some members speculated that the bulk of responses would be critical of UC since all respondents are leaving. VP Carlson noted that Santa Cruz and San Francisco already conduct exit surveys in-house, but members indicated that politics sometimes prevents neutral assessment of the feedback.

**Action:** UCFW will schedule a call with COACHE personnel and VP Carlson later in the spring.

3. Total Remuneration

**Issue:** Vice Provost Carlson noted that the campus-by-campus remuneration reports were nearly ready, and that the analyses contain no real surprises. The joint Senate-administration faculty salary work group has nearly finalized its first recommendation on the administration of the 3% raise for 15-16. Recommendations for closing the remuneration gap in subsequent years will be discussed in a second round of meetings. The 3% recommendation is complicated by above scale salaries- upon what does one base increases or is it best left to local decision-makers?

**Discussion:** Members noted that local APMs are not in concert regarding above scale salary administration and determinations. VP Carlson noted that the Council of Chancellors would take up the topic during their meeting on April 1. Members speculated that timing issues would lead to the easiest implementation scenario: 3% across the board.

4. Child Bearing Leave Discrepancies

**Issue:** The APM grants different total days for child bearing leave for semester campuses versus quarter campuses. All faculty should receive the same number of days, so UCFW asks Academic Personnel to begin revisions of APM 760.

V. **Consultation with Senate Leadership**

*Mary Gilly, Academic Council Chair*

*Dan Hare, Academic Council Vice Chair*

**Update:** Chair Gilly reminded members that nominations for the next Academic Council vice chair are due next week.

The Committee of Two held their second meeting, which focused on course costs, throughput, online education and three-year degrees. The governor's staff are visiting the campuses, and at Berkeley they asked why UC needed to be an academically excellent university.

Budget hearings continue in Sacramento, but UC facts and testimonies have not yet proven persuasive. Legislators continue focusing on PEPRAs pension limits and non-resident students.

The transfer initiative to streamline prerequisites for common majors across the system continues. The goal is to rearticulate 10 majors this year, and 10 more next year.

## **VI. Consultation with Chief Operating Officer**

*Rachael Nava, EVP & COO*

### **1. Human Resources Strategy**

**Issue:** Members noted that UC's benefits trajectory mimics that of a for-profit corporation, not one based on an academic environment's realities. Members also noted that significant recent changes in the UC benefits package have brought new stakeholders to the discussion, and that the goals of UC's benefits programs may be shifting from protection of employees to protection of the institution.

**Discussion:** EVP Nava plans to discuss UC Care in detail with both Dr. Stobo and the Office of Risk Services. UC Care should be viewed as a vendor, from the perspective the COO, and its provision of competitive care at a competitive cost at all locations should be the evaluative metric. Members agreed that equity of access is a topic that requires increasing and on-going scrutiny.

### **2. UC Path Update**

**Issue:** Members asked how project success or failure will be determined, especially given the project's tumultuous history.

**Discussion:** EVP Nava stated that did not expect failure, despite the challenges. Significant project reorganization has put the project back on an upward trajectory, although much work remains. At this stage, failure is not an option. Members asked how the project got off track initially, but EVP Nava demurred, indicating that she did not know enough of the details yet to make an evaluation. Members recalled similarly ambitious projects that did not go smoothly, such as a DMV upgrade. EVP Nava noted that the UC Path slow ramp-up is designed to help prevent such problems. Members encouraged EVP Nava to take a long-term view of the project and UC's needs, not to be caught up with avoiding project failure to the detriment of the larger enterprise. Members also encouraged more thoughtful and specific messaging on the project, its progress, and its impacts on the campuses.

## **VII. Consultation with Institutional Research and Academic Planning**

*Pamela Brown, Vice President*

### **1. Climate Survey Update**

**Issue:** Vice President Brown noted that Provost Dorr is the project lead. VP Brown's office has the data from the consultant, and has trained campus contacts how to access the data. Each location was tasked to create action plans, and the last was received just yesterday. A summary will be prepared for President Napolitano.

**Discussion:** Members commented that similar issues, such as safety, harassment, and comfort, had been discussed before, and that responses are usually only cosmetic. The underlying behaviors need to be addressed, too. Vice Provost Carlson indicated that the topics of the dean's and chair's seminars were drawn from the Climate Survey findings that suggested micro-aggressions and implicit bias were widespread. Members suggested that academic bullying may not have been captured in the results.

Members asked if the Climate redress plans would follow the same model as the Salary Equity redress plans, noting that many issues overlap and are inter-related. VP Brown said that her office would look to find common concerns across the locations to help develop best practices and identify cross-cutting issues.

**Action:** VP Brown will return when the summary is available.

2. Salary Equity Update

**Issue:** Vice Provost Carlson reminded the committee that President Yudof determined that salary equity redress would be campus specific because the same methodology would not work across campuses. Nine of the campus plans have been received, and a summary is being developed. Even though the campuses are using different methodologies, local actors now feel responsible for finishing the project, and commonalities are being identified. Local actions will be taken on an individual basis, and systemwide, leave policies, scales, CAP practices, and the like will be assessed for consistency and fairness.

**Discussion:** Members wondered how many individuals would need equity redress, and whether funds had been dedicated to the project. Members agreed that addressing equity concerns should be handled separately from addressing overall total remuneration, but some campus leaders occasionally frame the issues as being either/or. This construction leads to "squeaky wheels" receiving redress, while the systemic problem persists.

**Action:** UCFW will work with UCAAD to monitor effective equity redress.

3. Faculty Workload

**Issue:** The Governor asked for a comprehensive picture of faculty activities, not just teaching expectations. A white paper is being drafted to explicate teaching, research, and service at UC. Workload data will be normed against AAU data, which show that UC faculty out-perform peers. Common metrics include student-faculty ratios, credit hours per faculty, degrees, and research expenditures.

**Discussion:** Members encouraged VP Brown to contrast research expectations at UC versus CSU. Members also asked how dissertation advising would be operationalized and how mentoring would be reflected. VP Brown indicated that preparation time, lesson planning, grading, etc., would all be included in the narrative.

**VIII. Consent Calendar**

1. Minutes of Meeting of February 13, 2015

**Action:** The minutes were approved as noticed.

## **IX. Task Force on Investment and Retirement Update**

*Jim Chalfant, TFIR Chair*

**Update:** Chair Chalfant noted that EVP Nava has replaced EVP Brostrom on the UCRS Advisory Board.

TFIR has requested revised UCRP funding level projections to see the impact of different inflation and rate of return assumptions. The revised data should be available to TFIR next week.

TFIR has begun discussions of prefunding retiree health.

HR and UC's actuary will conduct an experience study this summer. TFIR should see a draft of the study in June. The study is intended to indicate whether any policy changes should be made to UCRP given new trends in post-retirement behavior, life expectancy, and the like. Possible policy changes could impact debt amortization practices or the smoothing of surplus returns.

**Discussion:** Members asked what level of contributions would be needed to prefund retiree health, noting that most employees are already taxed at a high rate. Chair Chalfant clarified that the goal of prefunding is to further guarantee the benefit, not to further burden employees. One strategy might be to keep UCRS contribution rates at 14%, even when they could be scaled back, and to use the difference to help fund retiree health; nonetheless, employees would be expected to contribute an additional amount. The first step is to fully assess the landscape.

*Shane White, UCRS Advisory Board Faculty Representative and Chair*

**Update:** Chair White noted that with the addition of EVP Nava to the Board, human resources has two administrators, but there are now none from finance. New staff representatives could also impact dynamics on the Board.

Changes to earnings expectations or the inflation assumptions could harm the funded ratio, but could also be used to help justify further borrowing.

Online tools for retirement readiness are targeted to active employees, in the hopes of encouraging greater savings. They are not retirement transition services.

## **X. Systemwide Review Items**

1. Proposed Amendments to SBL 125.D.2 (Vice Chairs)

**Action:** UCFW elected not to opine on this item.

2. Proposed Revised Presidential Policy on Sexual Harassment and Sexual Violence

**Action:** UCB Representative Gergen will serve as lead reviewer.

3. Proposed Amendments to SBL 182 (University Committee on International Education)

**Action:** UCLA Representative Lopez will serve as lead reviewer.

4. Proposed Revisions to APM 360 and 210.4 (Librarians)

**Action:** UCSD Representative Eggers will serve as lead reviewer.

## **XI. Review Item**

1. Draft Guidelines for Proposed Program to Accept Equity for Access to University Facilities or Services

*With Bill Tucker, Interim Vice President, Office of Research and Graduate Studies*

**Issue:** Vice President Tucker noted that technology transfer is an increasing national trend, and that incubators and accelerators serve to birth new businesses. Many young inventors are cash poor, but investors could take equity in future earnings in lieu of rent. The rescission of the University-Industry Guidelines last spring presented an opportunity for UC to reassess its technology transfer policies. A similar project was piloted at the California Institute for Technology Research in the Interest of Society (CITRIS, one of Governor Grey Davis' California Institutes for Science and Innovation (Cal ISIs)) and at Davis in the Engineering Translational Technology Center (ETTC). Guidelines will emphasize transparency in record-keeping, per SEC regulations. Like other investment returns, gains from this program will belong to the Regents, but may be returned to the campus of origin. Valuation models and Conflict of Interest guidelines should serve as firewalls for UC integrity.

**Discussion:** Members noted that some of the UC lab services that will be sought will include expensive and difficult procedures, perhaps involving animal subjects or diagnostic facilities. Encouraging these services could be both expensive and possibly politically troublesome. VP Tucker indicated that "equity for access" would only be an alternate method of paying a fee; research integrity is assessed separately. Members wondered if future equity would cause facilities to be operated at a deficit, and VP Tucker said such operational decisions would be left to local managers.

Members asked if local foundations could hold equity, and VP Tucker noted that equity would be treated differently from gifts. A "real time" model, such as for intellectual property, was preferred as a simpler way to launch the pilot.

Members wondered if other stock options could be made available to UC, and encouraged administrators to carefully assess the immediate opportunity cost, not just the potential future equity. Members also cautioned that receiving cash for services, as opposed to receivable stock, carries different tax burdens. VP Tucker indicated that UC cannot execute stock options, but the pilot was modeled on the licensing program which preferred stock.

Members asked what the success and failure lines were. VP Tucker suggested that too much bureaucracy, no subsequent incorporations, and no takers would be indicators of failure. Members wondered if breaking even would be considered a success, and VP Tucker noted that there was expected to be a *de minimus* investment up front as the program has a long-term horizon.

**Action:** UCFW will continue discussion of this topic next month.

**XII. New Business**

- Recent Freedom of Information Act requests could have negative impacts on researchers. GMO opponents have filed requests, which can be expensive to, onerous on, and bring unwanted attention to researchers.

**Action:** UCFW will share its concerns with UCAF.

- Many faculty have misunderstandings about the benefits of the Health Sciences Compensation Plan (HSCP). Many APM sections pointedly exclude HSCP members, and other sections have noticeable inequities.

Meeting adjourned at 3:30 p.m.

Minutes prepared by Kenneth Feer, Principal Analyst

Attest: Joel Dimsdale, UCFW Chair