I. Announcements

*Calvin Moore, UCFW Chair*

**Update:** Chair Moore reported on the Academic Council meeting of September 30. In some key areas, the need for political expediency and rapid response may challenge the ability of the Senate to provide comprehensive feedback on some issues. Chief Operating Officer Rachael Nava is leading a working group tasked to develop a 2016 pension package for consideration at the March Regents meeting. The new package must limit pensionable compensation to the PEPRA limit, per the state budget agreement with the governor. The working group report is scheduled for release in December, with feedback due to President Napolitano in January.

UCPath will go “live” at UCOP in December. Cybersecurity is an increasing concern, and new training is required. Budget questions include how to use funds currently going to non-resident financial aid; the legislature objects strenuously to this practice and hopes UC will use these monies to help fund UC’s share of the enrollment increase included in the state budget deal.

II. Consent Calendar

**Note: no items were on the consent calendar.**

III. Update: Task Force on Investment and Retirement

*Avanidhar Subrahmanymam, TFIR Chair*

1. **UCRP Funding**
   
   **Note: See item VI below.**

2. **Retirement Options Task Force Update**
   
   **Update:** Council Chair Hare reported that the ROTF had met five times to date, and the Senate has four members on the task force. COO Nava has encouraged wide consultation during the process. President Napolitano charged the task force to develop a new pension option that would meet the condition imposed by the state, provide a competitive benefit, and be financially sustainable. Some in Sacramento want UC to save money on the pension plan, and some seem to have conflated pension reform with curtailing executive compensation. Since covered compensation must be limited to the PEPRA cap, discussion is focusing on how to supplement employees whose compensation exceeds the cap. One consideration is to offer a supplemental defined contribution (DC) plan to those whose defined benefit (DB) plan eligibility exceeds the PEPRA cap. Another consideration is to offer a stand-alone DC plan, with the option to switch to the DB plan after certain criteria have been met. The total remuneration impacts of all considered options will be modeled.

IV. Consultation with the Office of the President: Chief Operating Officer
Rachael Nava, COO  
Dwaine Duckett, Vice President, Human Relations  
Gary Schlimgen, Executive Director, Retirement Programs and Services

**Issue:** COO Nava reminded members that the new tier will be launched July 1, 2016. President Napolitano will make her recommendation to the Regents in March, and the recommendation must observe the PEPRA limit. Supplemental plans are being explored, and the task force is using personas created by Mercer Consulting to evaluate the impact of various supplemental plan possibilities on various employee groups. The task force is charged to develop recommendations that are competitive for employees and sustainable for the fiduciaries. The extent of income replacement to be targeted by the supplemental plans is being debated, and stakeholder consultation is occurring in various venues.

**Discussion:** Members asked what the Regents’ expectations of this process were, and COO Nava indicated that they seem open to various outcomes, but some in the state government expect to see the plan’s overall liability drop. Members noted that the money saved by not calculating and paying DB pensions on salaries over the PEPRA cap could be used to fund supplemental DC plans, but if an unstated goal is to save money, the only way that can be achieved is to lower the value of the benefit. Director Schlimgen suggested that the DB formula would not change, only the upper total would change. Members noted that using that lower total would necessarily lower total remuneration and competitiveness; higher salaries to off-set that loss would negate any expected savings on pension expenditures. VP Duckett noted that pension liability is viewed uniquely in Sacramento. Members noted that faculty recruitments are already suffering, and that academic quality, already deteriorating, will soon start to slip noticeably and possibly irrevocably.

Members asked how much of the savings from observing the cap could be dedicated to DC supplemental plans. COO Nava indicated that CFO Brostrom is working to identify that total, partly informed by conversations with state budget officials. Members pressed the question of how curtailing pension spending is conducive to a competitive remuneration package. VP Duckett again noted that pensions are viewed through a political lens.

Members asked if retiree health programs would be impacted by these decisions, and VP Duckett indicated that since no decisions had been made, no impacts could be foreseen. Employer finances are the focus of scrutiny. Members noted that prefunding retiree health would seem to guarantee the benefit, but there is no money for such action. Members stressed that a comprehensive retirement package is necessary to recruit and retain top faculty and staff. Director Schlimgen noted that retiree health is beyond the scope of the present task force.

VP Duckett also reported that for 2016, 83% of the employee population would see their health insurance premiums remain flat or even decrease, but UC Care rates will increase again. Members asked if UC Care was subject to adverse selection, but it is too soon to tell. Medicare rates are forthcoming, and UC should be able to avoid the ACA’s “Cadillac” tax as UC’s inclusion of the retiree population keeps UC’s average plan cost per member below the threshold.

**V. Update: Health Care Task Force**

Robert May, HCTF Chair
1. **Open Enrollment**  
**Update:** Chair May noted that Open Enrollment materials are forthcoming, and that most plan designs were not changed significantly this year. HCTF had productive interactions with the UC Care team to help edit their Open Enrollment materials.

The health plans are due for regular re-bidding in 2017-18. Although disruption is difficult, change is constant, and due diligence is required on the part of the University to ensure that its offering meet the needs of the employee population and remain fiscally sound. HCTF expects to be closely involved, as past actions suggest.

The provision of mental health remains problematic. Optum’s contract continues through next year, but specific concerns should be reported.

The possible UC Care HMO product has been deferred because the HealthNet contract met UC’s financial goals. Nonetheless, HCTF will continue to monitor the health care outcomes under UC Care’s PPO plan, especially where controversial or expensive treatments are concerned.

2. **UC Care Access**  
**Update:** Santa Barbara providers are now in the top tier, and local actors deserve kudos for their efforts. John Muir in central Contra Costa County is also now in the top tier.

3. **UC Health Governance**  
**Update:** The Academic Council considered the UCFW and HCTF memoranda, and issued its own letter of concern.

6. **Consultation with Academic Senate Leadership**  
*Dan Hare, Academic Council Chair  
Jim Chalfant, Academic Council Vice Chair*  
**Update:** Chair Hare reported on the academic and programmatic aspects of the state budget deal that Provost Dorr is overseeing.

Chair Hare also briefed the committee on a new plan to borrow additional funds from STIP to help UC make its required contributions to UCRP. The plan is designed to complement the one-time three-year disbursement of funds from the state to enable UC to contribute the actuarially determined contribution (ADC) with a minimal increase of financial demands on the campuses. If possible, the plan would allow the campuses to lower their out-of-pocket contributions to 12% from the current 14%.

7. **Consultation with the Office of the President: Academic Personnel and Programs**  
*Janet Lockwood, Director, Academic Policy and Compensation*  
**Update:** Director Lockwood provided an overview of upcoming APP reviews:
- The Sexual Violence and Sexual Harassment policy is out for review currently.
- APM 360 (Librarians) and APM 210.4 (Review Committees) will see a second round of review this fall. The scope of librarianship in the 21st Century is being reconsidered.
- For the Health Sciences Compensation Plan (HSCP), considerations include 1) whether the split between volunteer clinical faculty and health sciences clinical professors is working as intended (see APMs 278 and 279), and 2) how to reflect the new population of affiliate clinicians being acquired by UC. Early thoughts are to repurpose a little used title.
• Technical updates to match changes in federal or state regulations will be issued for 1) APM 035 (Nondiscrimination) to include volunteers and interns, and 2) military caregiver leave.
• An international activities group has been requested by Provost Dorr to evaluate presidential policy on approvals for activities beyond US borders.
• APM 760 (Family Leave) inequities were reported by UCFW last year, and investigation into how to address the problem continues.
• The faculty exit survey project is proceeding. A pilot project is envisioned, and a draft plan should be ready for presentation to UCFW at a subsequent meeting this fall.
• A joint work group will investigate the functions of the LSOE title.

VIII. Campus Updates

Berkeley: The campus faces a $150M structural deficit. Reserves can be used for up to 4 years, but the tuition freeze, the non-resident cap, and increasing expenses for graduate student support leave few options. No new programs are expected, but hopefully the Senate will have a stronger voice going forward.

Davis: 1) Since total remuneration trails the other campuses, an additional 1% was given this year. 2) A task force to investigate improving health care delivery in Davis proper has been convened. 3) Davis is considering half-steps on the Berkeley model.

Irvine: This year is the campus’s sesquicentennial. The local CFW has not yet met.

Los Angeles: The LA campus is developing an on-site middle and high school. A major donor is needed.

Merced: The Merced CFW also addresses academic freedom, and discussion so far this year have been on that topic.

Riverside: The local CFW has not yet met.

San Diego: (absent)

San Francisco: 1) Faculty grants totaling $500K/year are available for discretionary use. Last year, all faculty could apply for 2-3K awards in four categories. Faculty will be eligible to apply for funds every three years if funds are available. This year, it is possible that funds can be banked for a “rainy day” fund or for an anticipated major project. Hopefully some will be earmarked for small grants for faculty. 2) The local CFW is concerned that an exit survey may demonstrate problems that cannot be fixed.

Santa Barbara: 1) New faculty housing is being constructed. 59 are done, 30 will be complete next spring, and plans are approved for 65 more following that. 2) Family friendly policies have come under scrutiny. 3) Final allocation of the chancellor’s discretionary 1.5% of salary is still pending. 4) An 11-page report on child care needs has been sent to the provost. A joint work group to explore solutions is requested. 5) Guidance on the use of disability by deans is needed. Hearing and vision concerns have been raised.

Santa Cruz: 1) Slow progress is being made regarding child care. Two options are under investigation: to lease an off-campus facility or to provide vouchers? 2) On-campus housing waitlists have more people and longer waits. A plan to build 50 new residences is being developed. 3) Spousal and partner hires have come under scrutiny.

IX. UCFW 2015-16 Goals
1. **Total Remuneration**
   Discussion: Members brainstormed strategies to close the total remuneration gap. Housing is generally considered a local issue, but it is a significant influence on faculty behavior. Child care and early childhood education are persistent issues at many campuses, and central standards could help. School district access is also impacted by housing affordability. Elder care is a growing concern for many employees.
   Some wondered whether this discussion could lead to micromanagement by OP. Others noted that pushback should be expected on efforts that are targeted or may involve only a sub-population, like adoption support or tuition remission.

2. **Retirement Counseling**
   **Note: Item not addressed.**

3. **Family Friendly Policies**
   **Issue:** The Berkeley campus has developed a proposal to expand support for adoptions undertaken through private agencies, not county-based adoptions.
   **Discussion:** Members noted that standard adoption expenses are already tax deductible and that the proposal as written would only benefit those whose income exceeds the IRS income limit.
   **Action:** Insurance coverage for infertility treatments is desired as an additional point of comparison.

X. **Systemwide Review Items**
1. **Proposed Presidential Policy on Sexual Violence and Sexual Harassment**
   **Discussion:** This is the second evaluation of this proposed policy. This version includes better statements of principal and better definitions. Concerns remain, however, regarding the mandatory reporting requirement for faculty, unclear distinctions between general campus and health sciences/clinical faculty, and the guidelines surround the duty to report especially when balanced against the penalties for failure to report. Additional concerns involve the different standards of evidence for different claimants/respondents, and the definition of consent. The ability of administrators to mete out corrective actions under the policy does not align with the faculty code of conduct. The role and responsibilities of Title IX officers should be more explicit. Confidentiality after settlement/resolution is not addressed clearly enough.
   **Action:** Lead reviewer Gergen and analyst Feer will draft the committee response for electronic approval.

2. **Proposed Amendments to Senate Bylaw 140 (UCAAD)**
   **Action:** UCFW elected not to opine on this item.

3. **Proposed Amendments to Senate Regulations 417 and 621 (Admissions Credits)**
   **Action:** UCFW elected not to opine on this item.

XI. **Further Discussion**

**Note: Item not addressed.**

Meeting adjourned at 3:30 p.m.