

UNIVERSITY OF CALIFORNIA

ACADEMIC SENATE

UNIVERSITY COMMITTEE ON FACULTY WELFARE

MINUTES OF MEETING
FRIDAY, FEBRUARY 10, 2006
UCOP ROOM 5320

I. Chair's Announcements

- **Rusty Russell, UCFW Chair**

Update: UCFW Letter on Family Friendly Policies: Chair Russell briefly reviewed the letter (see agenda Enclosure 1) for the members' information. Some members discussed changing the wording in paragraph two, to which Chair Russell agreed. UCFW members then held a brief discussion of the general issues and their consequences to female faculty in particular. Finally, Assistant Vice President Switkes announced that yesterday, President Dynes signed into effect the final Family Friendly/Modified Service Duties policies, which she will distribute to the members by email after the meeting.

Action: UCFW Chair Russell will amend the UCFW letter on Family Friendly Policies and submit it to the Academic Council and Executive Director (HR&B Policy and Program Design) Randy Scott for consideration.

Formal Review of APM 220-18.b(4): Criteria for Advancement to Professor VI and to Professor Above-Scale Salary Levels: UCFW members briefly reviewed the policy and agreed to concur with and support the proposed APM changes.

Action: UCFW Chair Russell will submit a letter to the Academic Council expressing UCFW's support of the proposed changes to APM 220-18.b(4).

Review of Special Committee on Scholarly Communication (SCSC) White Papers and Proposal – Responding to the Challenges Facing Scholarly Communication: UCFW members were sympathetic towards SCSC's efforts to negotiate and implement the recommendations contained in the white papers. Some members then engaged in a brief discussion of general copyright policies and processes affecting faculty, and how the white papers might impact their work.

Action: UCFW Chair Russell will submit a letter to the Academic Council in support of the SCSC white papers and noting UCFW's request for more specific proposals in advancement of the SCSC efforts once they become available.

Senior Management Compensation Issues: Chair Russell began the discussion by explaining the Regents' timeline regarding their job slotting plan for senior management. The issue was discussed at the January Regents' meeting where no final action was taken, and will be revisited during their March meeting. Chair Russell then reported that the Academic Council has requested UCPB and UCFW to consult on this issue and report back to Council at its February 22 meeting.

Council Chair Brunk said that the job slotting plan is not a Senate or UCOP item, but was driven by a small group of Regents who wish to move the University toward a more rational salary

approval system. He then noted that Council and UCPB have heard two presentations on the issue, therefore it would be unfair to say the Senate has not been consulted on the matter so far. One UCFW member wished to know the rationale for the ranges listed in the slotting plan. Council Chair Brunk said they are the result of a matrix based on a report by Mercer Human Resource Consulting. Some UCFW members noted that the ranges seemed excessively broad, and even arbitrary. Assistant Vice President Switkes reported that the slotting plan will not be used to raise senior managers' current salaries, but it is intended to provide more transparency to the salary review process. Some UCFW members strongly noted that the Regents need to focus more on faculty salaries and not just on senior managers' pay because of the negative public perception widely reported in the press.

UCFW then held a brief discussion on the UC sabbatical leave policy and administrators' use of that policy after they step down from their administrative posts. Some UCFW members noted that it would be useful to have more information about how senior administrators are given bonuses. Council Vice Chair Oakley reported that the Regents' January minutes reflect the slotting plan as an "interim" plan, and that the Regents are to consult with UCFW on these issues.

Action: UCFW will continue this discussion during Executive Session, Item VII, below.

II. Report of the UCFW-Health Care Task Force

- **Harold Simon, HCTF Chair**

REPORT: HCTF Chair Simon provided a quick overview of the HCTF's February 1, 2006 meeting, including:

1. Long Term Care Insurance: The HCTF has learned that Met Life is preparing to offer a group LTC insurance policy in California, in which UC may be interested. Human Resources and Benefits at UCOP has made arrangements for a meeting on this topic with Met Life, and a HCTF representative will be in attendance.
2. Health Maintenance Plan: This initiative of the HCTF has been turned over to UCOP-HR&B to (1) establish actual benefits to UC; (2) find ways to collaborate between UC and other carrier(s); and (3) work with the HCTF to look toward possible implementation on a pilot basis.
3. Proposed Meeting of the Medical Center Directors: On behalf of the HCTF, UCFW Chair Russell wrote a letter proposing that members of the Senate, UCOP, and the Medical Center directors meet to address general problems with the carriers and the Medical Centers.

Action: UCFW approved the above letter for submission to Academic Council Chair Brunk, with slight modification of the addressees.

4. Retiree Health: The HCTF heard a presentation from Deloitte Consulting and UCOP-HR&B on proposed changes to retiree health care, and has prepared a summary of this discussion and HCTF recommendations, which will be discussed in Executive Session later today.

III. Consent Calendar

- Minutes of the January 13, 2006 UCFW meeting

ACTION: The minutes of the January 13, 2006 UCFW meeting were approved as noticed.

IV. Consultation with UCOP – Academic Affairs

- **Rory Hume, Acting Provost and Senior Vice President**

REPORT: Acting Provost Hume provided a short introduction and noted that he looks forward to maintaining contact with UCFW as much as possible. He then reported to the committee on the following topics:

UC Compensation: Senior management compensation practices and policies pertaining to recruiting, retention, and administrative leaves have come under fire in recent months. President Dynes has admitted fault in UCOP's lack of openness and transparency in compliance with Regental policies. Acting Provost Hume noted the University's need to stay competitive in attracting and retaining the best faculty, staff and administrators at the same time, however.

UC Retirement System (UCRS): Acting Provost Hume noted UCRS' role as an important tool for attracting and retaining quality faculty and staff. Although contributions to UCRS by UC and employees must resume in the future, there are no suggestions that the conditions for present or future retirees will change. The Regents are currently looking at when UC and employee contributions must restart and at what level, in order to retain a healthy UCRS.

Systemwide Academic Strategic Planning: Acting Provost Hume has begun to reinstitute systemwide academic and strategic planning. He would like to create a profile of UC's academic goals as a primary driver of UC in the future, and as a guideline for directing UC resources. At the moment, the academic plans at the campuses are very separate, and Acting Provost Hume is working to develop processes to view a systemwide academic plan.

Questions, Answers & Comments

Comment: UCFW welcomes your comments about the importance of UCRP and academic planning as the basis of UC planning, and we encourage you to communicate this message strongly to Senior Vice President Mullinix and his successor. UCFW is very concerned, however, about the impact on retirement behaviors of employees due to changes to UCRS and retiree health benefits, yet no analyses of these effects have been presented to us. We would like to see more studies on the impact to UC as an educational institution rather than solely the business aspects of these decisions.

Reply: Data should be available to compare retirement behaviors of staff and faculty at other academic institutions.

Comment: As a reminder, UCFW drafted principles and recommendations regarding how UC should plan for restarting employee and employer contributions to UCRP. UCFW is most concerned about committing employees to growing contributions based on an assumption that salaries will increase proportionately.

Q: Is there any way for the Regents to keep their commitment to increase cash salaries for all employees to market parity in ten years without substantially raising student fee levels? The

Compact formula of four percent annual salary increases is required just to keep the salary status quo.

A: You have identified the key challenge facing UC: our desire to maintain UC's public nature while staying competitive with private institutions. We hope to maintain our public nature and high value to the people of California and persuade them to return to a higher level of social investment in higher education and infrastructure. Any shift to high student fees must correspond with regaining trust and retaining UC's high value, to persuade people that we are worth supporting.

Q: At my campus, "academic planning" usually identifies hot topics in certain disciplines, and results in the creation of new programs which then compete with traditional academic departments for existence, with little benefit to faculty. What is the goal of your project?

A: Although some may disagree with you on your premise, my idea is not to impose planning on the campuses. Rather, my goal is to create a process that encourages faculty-based grassroots discussions which influence major decisions. The Academic Senate is an important partner here, especially in acting as a watchdog over planning processes if productive academic planning is not occurring. The plan's first year format is still under construction, but at the moment, I am asking for progress reports from the campus Executive Vice Chancellors, UCPB members, and others.

Q: What local campus structures and planning groups are you utilizing for this initiative?

A: I consulted UCPB, which has reported robust processes already in place at the campuses. I plan to tap into them, and ask questions on key issues such as diversity, their connection with local committees, academic plans and directions. In the plan's second year, I will ask for enrollment growth profiles and campus' ambitions for the future. Finally in the plan's third year, I will ask for campus' academic profile directions. We will build on current processes in place and not tell campuses how to develop their responses, committees and/or processes. In relation to the UC compensation issues, we must allow for differentials in academic planning at the campuses, but we cannot accept stratification of senior managers' salaries at the campuses by reputation.

V. Consultation with UCOP – Business and Finance

- **Joe Mullinix, Senior Vice President, Business and Finance**

UC Parking Principles: UCFW Chair Russell began the discussion by noting the history of the UCOP and Senate Parking Principles, both issued in 2002. The most important differences between the dueling principles are UCOP's parking principles 7 and 12. Chair Russell reported that he, Council Vice Chair Oakley, and Senior Vice President Mullinix met yesterday to discuss a compromise version of the parking principles, to which SVP Mullinix agreed:

1. UCFW Chair Russell and Council Vice Chair Oakley will draft amendments to the UCOP parking principles reflecting as much of UCFW's proposed policies that UCOP and the campuses can agree. Chair Russell noted that he tentatively offered the following concession to SVP Mullinix: when UCOP destroys parking spaces paid for by faculty, UCOP should compensate faculty for the depreciated value of the parking space.

2. To narrow the definition of “transportation system” used in the Parking Principles to cap the use of parking fees for bus services, bicycle paths, and even campus sewer improvements.

UCFW Chair Russell, Council Vice Chair Oakley, and Senior Vice President Mullinix will meet in two weeks to review the revised draft, approve it, and forward the Principles to UCFW, the Academic Council and the campuses for approval. Council Vice Chair Oakley noted that he is not giving up on the Senate’s effort for actual replacement costs as added to the capital budget of a new building financed from non-state funds; rather, if state-funded buildings will accept the depreciated value of the improvement money, then faculty will get a modest amount back. Senior Vice President Mullinix noted that he needs to talk to the campuses about this point.

Action: UCFW members approved the Parking Principle recommendations and plans as represented above, and charged UCFW Chair Russell to move forward in the negotiations with Senior Vice President Mullinix.

LANL Transition to LANS, LLC: Senior Vice President Mullinix reported that his proposal to spin-off UCRP from the LANL employees has run into some political opposition with the senators from New Mexico. He still has lot of work ahead to convince people that this is the right management approach and is in the best interest of UC and LANL employees.

VI. Executive Session: Consultation with HR&B: UCRP and Retiree Health Benefits

EXECUTIVE SESSION

Note: Minutes, aside from action items, are not prepared for this portion of the meeting

1. UCFW/HCTF Recommendations on Retiree Health Benefits
 - Rusty Russell, UCFW Chair
 - Hal Simon, HCTF Chair
 - Randy Scott, Executive Director, Policy and Program Design, HR&B
 - Tim O’Beirne, Deloitte Consulting
2. Update: Resumption of Contributions to UCRP
 - Bob Miller, Mercer Human Resource Consulting
 - Richard McEvoy, Mercer Human Resource Consulting

VII. Executive Session: Chair’s Report

- Rusty Russell, UCFW Chair

EXECUTIVE SESSION

Note: Minutes, aside from action items, are not prepared for this portion of the meeting

Action: UCFW voted to endorse the recommendations of the UCFW-Health Care Task Force on the Future of Retiree Health, with amendments, for submission and adoption by the Academic Council.

Action: UCFW voted to endorse Chair Russell's draft letter of February 10, 2006 re: System for Slotting of Senior Managers' Pay Provisionally Adopted by the Regents, for submission and adoption by the Academic Council.

Meeting adjourned at 4:00p.m.

Attest: Raymond Russell, UCFW Chair

Prepared by: Michelle Ruskofsky, UCFW Analyst