

Minutes of Meeting**Friday, June 8, 2007****UCOP Room 5320****I. Proposed Changes to the Supplemental Home Loan Program (SHLP): Process and Timeline**

- Susan French, UCFW Chair
- Steven Mathews, Deputy Assistant Vice President & Director, Office of Loan Programs

REPORT: Director Mathews announced his retirement beginning in July, and introduced Ruth Assily, the new Acting Director of the Office of Loan Programs. He then reviewed with UCFW members the outcome of the May Regents' meeting, including the Regents' approval of proposals affecting the Mortgage Origination Program (MOP), and their agreement to revisit changes to the Supplemental Home Loan Program (SHLP) at a later date. Director Mathews suggested the following course of action regarding SHLP: (1) request that Provost Hume and EVP Lapp reconvene the New Financial Programs Subcommittee of the UC Housing Task Force, and consider expanding its membership for additional UCFW representation; and (2) renew the charge of the Subcommittee to review the SHLP programs, prior recommendations for SHLP including those suggested by Council Chair Oakley, and consider new recommendations in order to develop a draft set of proposals for review by UCFW, the campus provosts and home loan coordinators for eventual presentation to the Regents next year. Director Mathews requested that UCFW consider adding members to the Task Force, and submit names to Acting Director Assily at the July UCFW meeting.

DISCUSSION: Director Mathews reviewed the history of the UC Housing Task Force, which had met over a two year period; included campus representatives, faculty, staff and non-UC members; filed a final report; and also included three subcommittees. The New Financial Programs Subcommittee was reconvened in 2005. UCFW members then suggested some Senate members who could be added to the Subcommittee. Director Mathews noted that he will provide data to UCFW concerning who has received home loans, including the loan size and interest rates. One UCFW member suggested that the information should separate loans provided to senior management, and loans provided to faculty. Other members then expressed frustration with efforts at their campuses to recruit faculty with limited loan resources, as decided by campus administrators. Lastly, Director Mathews noted that he is reviewing UC's Short Term Investment Pool (STIP) earnings, and the impact on MOP interest rates. He suggested UCFW involvement in these discussions sometime in the future.

ACTION: Director Mathews will send data and additional information on SHLP to Chair French in time for discussion at the July UCFW meeting.

ACTION: UCFW will suggest names to the New Financial Programs Subcommittee and submit them for further discussion at the July UCFW meeting.

II. Chair's Welcome and Announcements

- Susan French, UCFW Chair

REPORT: UCFW Chair French reported on the following:

Academic Council Update: At the May 23, 2007 Council meeting, UCPB Chair Chris Newfield reported on the budget presentation he gave at the May Regents meeting. Council also heard new information concerning the LANS LLC contract with the Department of Energy. Council Vice Chair Brown announced at the meeting his proposal that would limit which UCOP consultants would be allowed to meet on a regular basis with systemwide Senate committees. His initial suggestion, to not allow anyone at or above the level of Vice President to act as a committee consultant, was met with considerable opposition.

III. UCRP Investment Performance and SCR 52 (Yee)

- Susan French, UCFW Chair
- Bob Anderson, TFIR Chair
- Melvin Stanton, Associate Chief Investment Officer, Office of the Treasurer
- David Birnbaum, Office of General Counsel
- Barbara Clark, Office of General Counsel

ISSUE: The Academic Senate has been requested to provide input on Senate Concurrent Resolution 52 (Yee). UCFW requested consultation with the Office of the Treasurer and the Office of General Counsel to discuss the implications of SCR 52.

DISCUSSION: Associate Chief Investment Officer Stanton reported that the Treasurer's Office is working a public statement regarding UCRP performance, which they hope to release soon. UCFW Chair French noted that in a previous discussion with the Treasurer in the early spring, UCFW suggested that their public relations message required immediate work. Now that the recent *East Bay Express* articles have been published, it appears that UC is working at a disadvantage. UCFW members repeated their call for UC to act preemptively. Mr. Stanton then reviewed a handout on UCRP performance levels, indicating that the defined benefit plan is in good financial health.

University Counsels Birnbaum and Clark reviewed their views on the effect of SCR 52, including a letter from General Counsel Robinson in response to a set of inquiries from Council Chair Oakley. UCFW members discussed issues such as UC autonomy, the Regents' fiduciary responsibilities, the governance structures used by other large public institutions, the current structure of the UCRS Advisory Board, as well as the factual inaccuracies contained in the whereas clauses of SCR 52. Mr. Birnbaum emphasized that UC is still working on its formal response to SCR 52, in preparation for the legislative hearing scheduled for June 25. UCFW members asked about collective bargaining concerns, to which Executive Director Randy Scott suggested that he would work with Chair French in getting a response from OGC. UCFW also inquired into how to best assist UC in developing its response to SCR 52. One member suggested that a Senate faculty member participate in the legislative hearing. Chair French noted that UCFW will work on a response to SCR 52 that includes facts regarding UCRP performance, which will require additional information from HR&B and the Treasurer's Office, to be distributed to the Senate faculty at large. Executive Director Scott said he would work with Mr. Stanton, the Office of Strategic Communications, and OGC to prepare information for UCFW Chair French's use at the June meeting of the Academic Council.

IV. Consultation with UCOP – Business Operations

- Katherine Lapp, Executive Vice President

DISCUSSION: EVP Lapp discussed the following issues with UCFW:

Parking Principles: UCFW member Shane White briefed EVP Lapp on the status of the Senate Parking Principles, and the committee's work to align the Senate's Parking Principles with UCOP's Parking Principles. He also noted UCFW's frustration with the lack of progress on this issue, mostly due to departing or retiring UCOP managers. EVP Lapp expressed interest in the issue, and suggested that Mr. White contact herself, as well as the Assistant Vice President of Facilities Administration, Mike Bocchicchio.

UC Budget: UCFW members noted concerns with last year's budget presentation, which included information showing UC's salary lag and purported rich benefits. UCFW has expressed concerns in the past about such misrepresentations, and wishes for UC to discontinue this practice in its presentations to the Regents and the Legislature. EVP Lapp reported that she has been involved in many conversations with Provost Hume concerning the budget and plans for future budget presentations. She assured UCFW that issues such as those raised today will be carefully vetted. She will be personally involved in the crafting of the presentation that accompanies UC's annual budget request, and is attentive to the public message involved. EVP Lapp looks forward to the development of a substantive, long term budget for 2009-10. She noted the importance of Provost Hume's involvement in the budget process as well, assuring that academic concerns remain central.

V. UCFW Member Reports: Draft Consensual Relationships Policy

- Susan French, UCFW Chair
- Randy Scott, Executive Director, Policy & Program Design, HR&B
- UCFW Members

ISSUE: UCFW members were asked to provide informal comments from their campus faculty welfare committees on the draft consensual relationships policy, and report them to HR&B at the meeting today.

DISCUSSION: UCFW members noted many concerns with the draft policy, which HR&B staff carefully noted. Members' comments included suggestions about the title of the draft policy, stating the intent of the policy, ensuring the policy is not duplicative with other UC policies, clarifying terminology, and concerns about the proposed remedies, and mechanisms for appeal and enforcement.

ACTION: Executive Director Scott will prepare a response letter to UCFW including the comments reported today, for UCFW's review for accuracy. The draft policy will likely be forwarded to UCFW for another round of review next academic year.

VI. UCFW Member Reports: Campus Childcare Needs Assessment

- Susan French, UCFW Chair
- Randy Scott, Executive Director, Policy & Program Design, HR&B
- UCFW Members

ISSUE: UCFW members were asked to report on their findings regarding campus childcare needs.

DISCUSSION: UCFW members held a roundtable discussion of their campus findings. Members identified issues such as inadequate numbers of available slots for children at campus centers, a lack of transparency in how slots are allocated, and high costs involved in hiring trained childcare personnel and building state-of-the-art facilities. One UCFW member reported that the UC Faculty Family Friendly Edge project at UC Berkeley will present new data on the state of UC childcare in 2007-08, and suggested that UCFW wait to review this study prior to proceeding. UCFW members expressed agreement with this suggestion. Chair French concurred, and noted that UCFW has gathered good information on the unmet need at the campuses so far.

ACTION: UCFW will prepare a report to the Academic Council on campus childcare needs, which will include the information reported by UCFW members this year. This report will also be communicated to the UC Faculty Family Friendly Edge to aid in their 2007-08 study.

VII. Consultation with UCOP – Human Resources and Benefits

- Randy Scott, Executive Director, Policy & Program Design, HR&B

REPORT: The following items of interest were discussed:

Proposed Draft Adoption Assistance Program: Chris Simon and Mona Litrownik from HR&B reported on their findings regarding the tax effects of the draft proposal, as raised by UCFW at its May meeting. Under the current proposal, the proposed UC program would assist an employee only if their expenses were above \$11,390, due to the federal tax adoption credit. He also reported that the UC benefit would be subject to the FICA tax. Some UCFW members suggested that the proposed UC program should be altered to reimburse employees whose expenses are above the federal \$11,390 limit, up to a \$2500 reimbursement limit, for example. Executive Director Scott suggested that the proposal could be redrafted for further review of UCFW to reflect these suggestions. One UCFW member asked about employees who may not be eligible for the federal credit due to their income level, to which Chris Simon noted they would look into the issue.

Employees Not Coordinated with Social Security: Executive Director Scott reported that his office is still working to resolve this issue, and will hopefully have more information in July.

Medical Plan Bid: UC is pleased with the progress of this year's medical plan bid, and is currently conducting its internal review of the bids received. Executive Director Scott commended the work of the faculty members who are participating in the review as well.

VIII. Update: Total Remuneration

- Bob Miller, Mercer HR Consulting
- UCFW Members: Bob Anderson & Jim Chalfant

Executive Session – UCFW Members Only

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

IX. Faculty Salaries – Finalize UCFW Comments on Proposed Amendments to APM 620: Policy on Off-Scale Salaries

- Susan French, UCFW Chair
- UCFW Members

ISSUE: UCFW is continuing its review of the proposed amendments to APM 620, in preparation for a final response to the Academic Council. UCFW Chair French has prepared a draft letter for UCFW members' review and comment.

DISCUSSION: UCFW discussed Chair French's letter, and suggested changes to reflect the wide-ranging views of the committee. Members noted the difficulty of this issue, compounded by the many different approaches to salary determination currently employed by each of the campuses. Many UCFW members expressed opposition to changing the APM language, as suggested, for largely political reasons. Most members agreed that the focus should remain on working to increase faculty salaries before prematurely changing the APM.

ACTION: UCFW Chair French will redraft the letter on APM 620 reflecting the discussion above, and circulate it via email to the committee to reach consensus prior to its submission to the Academic Council.

Begin Executive Session – UCFW Members Only

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

X. Consent Calendar

- A. Minutes of the April 13, 2007 UCFW Meeting
- B. Minutes of the May 10, 2007 UCFW Meeting
- C. UCFW elects not to opine on the following issues out for systemwide Senate review:
 - 1. UCAF-Proposed Student Freedom of Scholarly Inquiry Principles
 - 2. Proposed Amendment to Senate Bylaw 181 (ITTP)
 - 3. ICAS-Proposed Resolution on the Proper Use of the California High School Exit Exam

ACTION: The consent calendar was approved via unanimous consent with amendments to the April 13 and May 10 UCFW minutes.

XI. UCFW Business

- Susan French, UCFW Chair
- UCFW Members

ACTION: UCFW members approved the following items to be submitted for consideration of the Academic Council:

1. **Draft Charge to Senate Task Force on Faculty Compensation Determination and Comparison**
2. **UCFW comments on UCOP Proposed Policy on the Relationships Between Vendors and Clinicians**
3. **Finalize UCFW nominee to the UCRS Advisory Board via email vote following the meeting, for submittal to the Council.**

Meeting adjourned at 4:00 p.m.

Attest: Susan French, UCFW Chair
Prepared by: Michelle Ruskofsky, UCFW Analyst