I. Chair’s Announcements

Shane White, UCFW Chair

Chair White welcomed new and returning members, and the committee introduced themselves.

II. Consent Calendar

ACTION: The differential fees matter will be added to discussion in the afternoon.

III. Consultation with the Office of the President: Academic Personnel

Interim Executive Director Pat Price

UPDATE: Executive Director Price gave an overview of her office’s goals for the year as set by Interim Provost Pitts:

1. Additional compensation plan groups: A task force is being formed to explore alternate compensation plans, modeled after the health sciences compensation plan (HSCP). As yet, no charge has been issued; it is exploratory only.
   DISCUSSION: Members noted that any discussions of changes to compensation policies must be mindful of implications to retirement benefits funding.

2. Furlough impacts on recruitment and retention: Academic Personnel will monitor how many faculty losses might be attributable to the furlough program and other negative economic indicators at the University; other areas to be monitored include failed searches and the loss of top candidates to competitors. Accurate attribution may be difficult, however, as exit interviews are not expected.

3. APM reviews:
   A. APM 670 (HSCP): This will be released for formal review, and the preliminary efforts of the UCFW work group are much appreciated. Considerable work remains, however, as final negotiations could be contentious.
   B. APM 015 (Faculty code of conduct): These changes should largely be cosmetic, aligning language to parallel that in state and federal laws and including an affirmative statement that faculty are obligated to comply with various policies.
   DISCUSSION: Members noted that even small changes such as this might better come during less contentious times. Others suggested that these changes seem to stem from one or two isolated incidents and might be seen as overkill. Another posited that such a change could be viewed in the same light as the loyalty oath and thus spark controversy. Randy Scott, Executive Director for Talent Management and Staff Development, Human Resources and Benefits (HR&B) observed that such an affirmative statement is already routinely included in most HR documents.

Note: revised 11/12/09
APMs 241 and 245 (new re: faculty administrative titles for full-time and less-than full-time appointments) and APMs 245 (department chairs) and 633 (consulting): These are currently out for administrative review, and will come to the Senate and UCFW afterwards for formal review.

IV. Consultation with the Office of the President: Budget Office

*Patrick Lenz, Vice President (via phone)*

**UPDATE:** VP Lenz reported that the Regents’ September budget included the restoration of the one-time cuts from last year as well as $96M for UCRP contributions for 2010-11. Present internal discussions focus on strategy, though: The CSU budget request was more than double that of UC’s; it is unclear whether it is more advantageous to “ask for the moon” or submit more realistic requests. The current request, including the UCRP funding, overenrollment funding, and restorative funding, as well as inflationary funding, now totals over $900M and is very aggressive. The state’s economic forecast remains bleak, however, and securing that amount will be difficult; last year UC asked for ~$800M but got cut ~$600M.

**DISCUSSION:** Members inquired as to the downside of submitting a large budget request, and VP Lenz responded that many legislators prefer necessary funding requests. He also noted that large requests can generate internal constituencies with raising expectations, which, if unmet, can cause additional problems. Members then asked how the UCRP funding request could be protected, given the events of last year. VP Lenz indicated that the best strategy is effective messaging, that is, in unity between the request and the advocacy emphasis.

TFIR Chair Anderson observed that the Regents’ funding policy for UCRP will require 20% of payroll to be contributed to the plan, but the request of $96M is only 4% of payroll. VP Lenz noted that the state is fiscally unable to make a larger commitment and that some in the legislature question employees’ commitment to contributing to UCRP funding, which undermines calls for legislative funding, regardless of the state’s fiscal health. Mr. Anderson then wondered whether an IOU from the state had been considered. VP Lenz indicated that the state has no intention of issuing IOUs as its aim is to minimize future liabilities. HR&B Executive Director Scott noted, however, that there is precedent for such action. VP Lenz encouraged the committee to help develop a unified front on behalf of UC to face the legislature and governor. Chair White added that this is not a situation about picking one’s battles; this fight cannot be lost. He asked, though, when UC should give up on the state. VP Lenz exhorted members to rally and fight, not to give up.

Members also asked why the legislature would fund overenrollment, when UC has absorbed the costs previously. It was asserted that University threats are not credible. VP Lenz indicated that the legislature tends to focus on access and affordability and encouraged members to do likewise in devising advocacy strategies.

**ACTION:** UCFW will submit a letter to the Academic Council calling for simpler, stronger language to be used in budget advocacy.

V. Total Remuneration Study 2009

*Randy Scott, Executive Director, Talent Management and Staff Development, HR&B*
UPDATE: Mr. Scott noted that President Yudof wants to advertise the results of the study, but was waiting on 1) the cash compensation section to be updated with the most recent data available (May 2009 for faculty salaries and even more recent for certain other groups), and 2) a comprehensive yet concise message encapsulation, including narrative. He emphasized that the updated sections will employ the same methodology as approved last year.

DISCUSSION: Members inquired as to the incorporation of regional cost of living adjustments and whether pension solvency questions from the Comparison 8 were included in the analysis. HR&B Vice President Duckett indicated that the methodology does not allow for COLA adjustments and that most of the Comp 8 do not have DB plans, so their funding status is irrelevant.

ACTION: Chair White, Vice Chair Dimsdale, TFIR Chair Anderson, HCTF Chair Kronick, immediate past Chair Henry, and previous past Chair Chalfant will be contacted to provide narrative and packaging input for the study.

ACTION: Analyst Feer will circulate the previous version of the study to the committee so that new members can familiarize themselves with it.

VI. President’s Task Force on Post-Employment Benefits
Randy Scott, Executive Director, Talent Management and Staff Development, HR&B

UPDATE: Mr. Scott informed the committee that the Task Force had held preliminary meetings, and he referred members to the Task Force website for ongoing updates and additional background information. Summaries of the fora will be posted, and a survey is being considered as an additional mode of information gathering.

DISCUSSION: Members cautioned that absent the presentation of alternatives, the sessions could easily devolve into complaint litanies. Mr. Scott indicated that much of the sessions have been devoted to explaining the mechanisms at play in post-employment benefits, but members countered that such a presentation did nothing to allay the underlying concerns. VP Duckett indicated that the presentations would be evaluated on an on-going basis and that the agendas could be adjusted on the day. Members also noted that many faculty fear that descriptions of dire straits are merely precursors to announcements of further cuts.

Members also voiced concern over the pacing and direction that some of the Task Force’s working groups seem to be following, suggesting that no workable solutions could be generated by the Task Force deadline unless changes were made. Clear suggestions for meeting the identified needs should be generated soon so that full and thoughtful reviews can occur. VP Duckett will share the committee’s concerns with the Task Force.

VII. Consultation with Academic Senate Leadership
Harry Powell, Academic Council Chair

UPDATE: Chair Powell expressed his belief that shared governance remains healthy, even when the Senate’s preferred position is not ultimately adopted. He also shared his intention to visit each campus and consult with each division’s executive body. This year, the Senate will also be more involved in campus budget decisions. Members can also look forward to Senate reviews of the Compendium and of an online and distance
learning report. He also announced that the differential fee item has been pulled from immediate consideration, but encouraged members to opine anyway.

**DISCUSSION**: Members shared their concern with the apparent lack of efficacy in advocacy efforts from the Office of the President. Chair Powell noted that UC Day is undergoing structural changes this year, and that advocacy is being recast as something that requires constant, not occasional, vigilance. Members asked if advocacy tool-kits were available, and Chair Powell stated that they are under development.

Chair White reminded members to review the handbooks and regulations, and to be especially mindful of confidential documents.

**VIII. The UC Commission on the Future (AKA The Gould Commission)**

*Harry Powell, Academic Council Chair*

**UPDATE**: Chair Powell reported that the first steering committee meeting was held in September and that the final slate of faculty nominations for the working groups had just been submitted. His hope is that the Academic Senate can act nimbly in response to the final reports, as many of the issues under discussion are those that traditionally fall under the authority of the Senate. Further, it is hoped that the Senate’s positions will be well developed by the time formal review is requested; this will be possible because most of the faculty nominations are already members of standing Senate committees and they will be reporting regularly to them.

**DISCUSSION**: Members voiced their concern over the lack of leadership positions in the Commission being held by Senate members. Members also voiced concern over the parallel structure of the Commission to the PEB Task Force. Finally, members noted that the University seems inept at negotiating the bureaucratic trenches in Sacramento and wondered whether the battle there has already been lost. Chair Powell rejoined that in many ways, the battle has yet to be joined, and he encouraged members not to approach the task with the negative assumption that the state will not meet its obligations.

**IX. Health Care Task Force Update**

*Shane White, UCFW Chair*

1. **2010 Renewals**

**UPDATE**: HR&B VP Duckett gave a brief overview of the renewal process that begins in May/June each year and continues through August. While the University was able to hold steady its rate of subsidy, the net result to employees is an increase in premiums.

**DISCUSSION**: Members noted that despite the income bands used to set premiums, the rate of increase was greater for band 3 than for band 4, especially when coupled with the impact on remuneration of the furloughs. VP Duckett indicated that the bands are under discussion on many fronts. Chair White indicated that the HCTF will address this issue head-on this year.

Members also inquired as to the status of negotiations with the medical centers. Mr. Scott responded that the medical centers, for the first time, entered the negotiations from a position of unity, rather than on a campus-by-campus basis. They seek common expiration dates in their contracts, but the final impact on costs is not yet known. Furthermore, the changes in the physicians groups at UCSF complicate matters as conflicting and sometimes inaccurate public
campaigns are being waged. Members asked whether all UCSF physicians were required to join the same group and what impact on the University refusals to perform controversial services by other group members might have. Mr. Scott noted that it remains unclear whether all physicians must join the same group and that group members are required to provide services refused by others in that group; the location of service provision, however, remains at issue.

2. **Retiree Health Changes:**
   **UPDATE:** Previously, the retiree health subsidy was provided on a constant dollar amount, where other employee groups received a constant percentage. Retiree health is being shifted to the percentage policy, with this year being a transition one wherein the change is being implemented by half. Depending on the health plan incumbent retirees have enrolled in, their premiums may go up.

X. **Task Force on Investment and Retirement Update**

Bob Anderson, TFIR Chair

**Note: Item occurred in executive session; no notes were taken.**

XI. **Discussion and Planning**

Members

1. **Differential Fees:** Members noted the lack of justification and data in the proposal, which were found to be significant omissions given the scope of the proposal. Also missing from the proposal were many other specifics, such as whether an originating department would recapture the funds it generated. More information is required before meaningful evaluation can occur.

2. **Local Issues:** Divisional representatives reported pressing issues at their campuses, including: greater cooperation with committees on planning and budget, child care and partial sabbatical implications of the furloughs, medical center implementation of the furloughs, differential impact of the Furlough Exchange Program, and the scheduling of mandatory furlough days during graduate student application season.

The meeting adjourned at 4 p.m.

Minutes prepared by Kenneth Feer, Senior Policy Analyst.
Attest: Shane White, UCFW Chair

Note: revised 11/12/09