I. Chair’s Welcome and Introduction  
- Jim Chalfant, UCFW Chair

UCFW Chair Chalfant welcomed new and returning UCFW members and consultants. After brief introductions, Chair Chalfant provided members with an overview of committee operations, as well as his priorities for the year.

II. Consultation with UCOP – Academic Advancement  
- Nicholas Jewell, Vice Provost, Academic Personnel  
- Jill Slocum, Director, Academic Advancement

A. Faculty Salary Scales Plan

**REPORT:** Vice Provost Jewell provided UCFW members with a brief history of the events leading up to the development of the four-year faculty salaries plan, including the work of the joint Senate/administration task force last year. Vice Provost Jewell explained that the plan, approved by the Regents at their October 2007 meeting, includes for the first year both a merit adjustment (1.78%) for some faculty, and a range adjustment (2.5%) for all faculty. It is still unclear how each of the campuses will apply the range adjustments, however – to the faculty member’s base salary only, or to their total salary. Further, the first year of the plan includes a market adjustment to the faculty salary scales (ranging from 4-8%), in order to bring the scales closer to market levels. The market adjustments apply only to faculty who are on-scale, however, accounting for 16% of UC faculty according to Provost Hume’s presentation at the September Regents’ meeting. Faculty who are near-scale will receive partial market adjustments. Funding for the faculty salary scales plan will depend on the state budget, with the balance from UC internal reallocation decisions. Vice Provost Jewell encouraged UCFW members to communicate with their colleagues about the plan, and its importance to maintaining the integrity of the UC salary scales system.

**DISCUSSION:** UCFW members asked questions about the details of the salary scales plan, such as the impact of market adjustments on professors who are at a half-step. Vice Provost Jewell noted that faculty at half-steps can still be evaluated on an individual basis by their department chairs and rise up by two steps, for example, when they are under review. The regular review process should be used by department chairs and deans to offset any negative impacts from the market adjustments. Vice Provost Jewell reported that the Economics scales have not yet been defined, and the details of the plan for Health Sciences faculty are still being finalized. UCFW members also discussed the funding sources for the four-year plan. Vice Provost Jewell stated that their goal is to raise faculty salaries a total of 26%, depending on the state budget. The details of year two of the plan will be similar to year one; and years three and four will include across-the-board adjustments for faculty. Any acceleration of the plan’s implementation will depend on the funding situation. For year one, UC needs $7 million above the Compact; year
two will require approximately 30% more because so many additional faculty will be on-scale next year. At the end of the four-year plan, they expect 30% of UC faculty to be off-scale, down from 75% currently off-scale. A few UCFW members requested a letter from UCOP that documents the details of the four-year plan, which would be tremendously helpful to UCFW members in discussions with colleagues. Vice Provost Jewell noted that such a letter is underway, and should be released soon. Further, the revised faculty salary scales will be posted soon on the UCOP Academic Advancement website. Lastly, UCFW members pointed out that even after two years of market adjustments, UC faculty will barely keep up with the Comparison 8 universities, and additional adjustments of the scales will be necessary to regain competitive UC faculty salaries. Vice Provost Jewell expressed appreciation for this comment, as a reminder for him and the joint Senate/UCOP task force to allow for further adjustments of the plan in years three and four.

**ACTION:** UCFW will follow-up on this issue at its November 16 meeting.

B. **Report on Expected Academic Personnel Manual (APM) Reviews Expected This Year**

**REPORT:** Director Slocum reported that her office expects a large number of APM policies to undergo review this year, including APM 670 – Health Sciences Compensation Plan; APMs 710, 711 and 080 – Sick Leave, Reasonable Accommodation, and Medical Separation; APM 205 – Outside Activities; and APM 620 – Policy on Off-Scale Salaries. Director Slocum noted that she looks forward to working closely with UCFW members on these reviews, and will likely ask for UCFW volunteers to participate in pre-review subcommittees. Lastly, she reported that her office is working on defining “underperforming faculty,” as well as “Senior Management Group (SMG),” both issues stemming from the Regents earlier this year.

III. **Mercer Report on UC Total Remuneration**

- Bob Miller, Mercer HR Consulting
- Richard McEvoy, Mercer HR Consulting
- Stephen Pollack, Mercer HR Consulting
- John Bruning, Mercer HR Consulting (via teleconference)

**Note:** This agenda item was conducted in Executive Session. Minutes, aside from action items, are not prepared for this portion of the meeting.

**ACTION:** none

IV. **Consultation with UCOP – Human Resources and Benefits**

- Judy Boyette, Associate Vice President, Human Resources and Benefits
- Randy Scott, Executive Director, Policy and Program Design, HR&B
- Mark Esteban, Director, Policy and Program Design, HR&B
- John Kessler, Deloitte Consulting

**ISSUE:** Medical Plan Bid Update

**Note:** This agenda item was conducted in Executive Session. Minutes, aside from action items, are not prepared for this portion of the meeting.

**ACTION:** UCFW will follow-up with HR&B about this issue following today’s meeting.
V. Consultation with the Academic Senate Leadership
   • Michael T. Brown, Academic Senate Chair

REPORT: Academic Senate Chair Michael T. Brown provided UCFW members with an overview of the shared governance structure at UC, encouraged active member participation on the committee, emphasized the importance of members’ communication with their local Division, and expressed his gratitude for members’ service on UCFW this year. Chair Brown also updated members on issues facing the Academic Council this year, including the reorganization of the Office of the President, implementation of the faculty salary scales plan, the search for UC’s next President, continued efforts to increase graduate student support, and the state budget crisis. Lastly, he reminded UCFW members of the Academic Senate’s travel policies and procedures for reimbursement of travel expenses.

VI. UCFW Task Force on Investment and Retirement (TFIR) Report
   • Bob Anderson, TFIR Chair

A. CA Public Employees’ Retirement System (PERS) Voluntary Early Retirement Incentive Program (UC-PERS Plus 5 COLAs Plan)
   • Gary Schlimgen, Director, Policy and Program Design, HR&B

ISSUE: UCOP is presenting a proposal to the Regents in November which would amend the UC-PERS Plus 5 Plan by providing one-time COLAs of 8.55%, effective January 1, 2008, for Plan participants.

DISCUSSION: Director Schlimgen reviewed enclosure 8 of the UCFW agenda with UCFW members, and reported that the UCRS Advisory Board had presented options to TFIR for further analysis. TFIR agreed that the one-time 8.55% COLA was the best option to restore the participants’ purchasing power to levels similar to their UCRP retiree counterparts. UCFW members expressed support for the proposal, noting that the UC-PERS Plus 5 Plan is a separate plan that will fund the COLA, and will not impact UCRP.

ACTION: UCFW members endorsed the UCOP proposal for the UC-PERS Plus 5 Plan via unanimous consent. UCFW Chair Chalfant will report this action to the Academic Council for final action.

B. UCRS Advisory Board Proposal

ISSUE: UCFW requested an update on Senate Concurrent Resolution (SCR) 52, which was adopted by the state Legislature in September and subsequently chaptered by the Secretary of State. SCR 52 memorializes the UC Regents to provide shared governance for the UCRP by including an equal number of trustees representing the employer and the faculty and staff plan participants, similar to the Public Employees’ Retirement System and the State Teachers’ Retirement System.

DISCUSSION: UCFW members discussed some of the options available to UC in addressing the goals of SCR 52.

ACTION: none
C. Health Sciences Severance Pay Plan Proposal (HSSPP)
   • Barbara Clark, Office of General Counsel

ISSUE: UCOP is presenting a proposal to the Regents in November which seeks approval to make payments to participants in the Health Sciences Severance Pay Plan (HSSPP), and to terminate HSSPP altogether. The proposal includes authorization to reimburse the plan participants for reasonable costs associated with their tax return preparations as well.

DISCUSSION: Ms. Clark reviewed the details of the HSSPP proposal with UCFW members. TFIR Chair Anderson stated that TFIR had reviewed the proposal at their last meeting, and endorsed it, noting that the matter needs to be resolved. TFIR also found that the blame for any error should not be held by the affected plan participants, and UC should take responsibility to make them whole. UCFW members noted agreement with TFIR’s assessment.

ACTION: UCFW members approved the HSSPP proposal as presented, via unanimous consent. UCFW Chair Chalfant will report this action to the Academic Council for final action.

VII. UCFW Health Care Task Force (HCTF) Report
   • Larry Pitts, HCTF Chair

REPORT: HCTF Chair Pitts updated UCFW members on the status of the November 2007 Open Enrollment, and invited members to report back any issues they hear from colleagues at the November UCFW meeting. Some HCTF members have noted a potential issue with the medical plan choices that are offered, and whether faculty are fully aware of the new options. The HCTF is working with HR&B staff to gain a better understanding of the matter, and will decide next steps in the near future. HCTF Chair Pitts also reported on other agenda items HCTF will take up this year, including meetings with the Medical Center directors, and additional issues the group is working on with HR&B.

ACTION: UCFW Chair Chalfant will work with HCTF Chair Pitts to determine next steps about the HCTF agenda in the upcoming weeks.

VIII. UCFW Executive Session

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

ACTION: UCFW members approved via unanimous consent the UCFW Statement on the 2008-09 Budget and the Four-Year Plan for Faculty Salaries, with amendments to be submitted via email to Chair Chalfant following today’s meeting.

Meeting adjourned at 4:00 p.m.

Attest: Jim Chalfant, UCFW Chair
Prepared by: Michelle Ruskofsky, UCFW Analyst