

UNIVERSITY COMMITTEE ON FACULTY WELFARE

Approved Minutes of the Meeting

April 22, 2005

I. Chair's Announcements
John Oakley, UCFW Chair

General Meeting Announcement. Chair Oakley announced that neither Sr. Vice President Mullinix nor the University Treasurer, David Russ, were available to attend the meeting.

UC's Statement of Ethical Values. Chair Oakley provided an update on the status of the draft Statement of Core Values related to business practices, which UCFW reviewed earlier this year. This document is now in the form of a Statement of Ethical Values accompanied by Standards of Ethical Conduct. Chair Oakley and Academic Council Chair Blumenthal vetted a draft revision with Regent Hopkinson this past week and a compromise was reached on language that both meets the requirements of the Regents' Audit Committee and does not supersede the Faculty Code of Conduct.

Los Alamos National Labs Bid. The DOE has issued a revised RFP for the management of LANL in which the management fee has been increased from \$8 million to \$68 million. This is likely to attract bids from corporate defense contractors, probably in partnership with other universities. To date, UC has made no decision on whether to bid. The DOE is now being billed directly for the LANL retiree health benefits costs. It is not yet clear what implications there may be for UCRP.

II. Follow up on UCFW's Preliminary Responses on:**--Revised APM Policies Related to Work and Family (760, 133-17, 210-1 and 220)****--Proposed Amendment to Senate Regulation 600 (B)**

Issue: Since committee responses on the Work/Family APMs and SR 600 (B) were due to the Academic Council prior to this meeting, UCFW members reviewed these two proposals and drafted preliminary responses by email. At this meeting, the committee reviewed its preliminary responses and decided if additional comments should be included.

1) Revised APM Policies Related to Work and Family

Chair Oakley acknowledged Professor Ness for her contribution to the committee's response letter, particularly with respect to raising the issue of the lack of affordable childcare on the campuses. This is an issue that will be aggressively pursued by UCFW in the coming year. Additional comments to be added to the letter included the following:

- The distinctions should be clarified between the childbearing/childrearing policies and medical leave policies.
- There is a large concern on the UCLA campus about the way childcare spaces are allocated. There should be some added focus on the allocation of childcare spaces on the campuses and how that can affect faculty morale.

Action: The above concerns will be reflected in a revised letter that Chair Oakley will submit to Council.

2) Proposed Amendment to Senate Regulation 600 (B)

Chair Oakley acknowledged the contributions of Professors Printz and Braunstein to the committee's response letter on SR 600 (B). The following additional comments will be included in the letter:

- There is a concern that, as written, the policy prohibits graduate students from serving on departmental committees that provide advice on the graduate program.
- The policy should clarify what is meant by terminal degree or higher degree.
- No change to 600(B) should interfere with the pattern of educational development for the health sciences faculty.

Action: Professor Anderson agreed to draft an additional paragraph to be included in the committee's response letter on how the policy may affect the participation of graduate students, and Professor Newcomer agreed to draft a few sentences with respect to the health sciences faculty.

III. Consent Calendar

1) Approval of the March 11, 2005 meeting minutes

Action: The March 11, 2005 minutes were approved as submitted.

2) Policy on University Management of Health, Safety and the Environment, and Draft Guiding Principles to Implement UC's Policy on Health, Safety and the Environment

This policy was removed from the Consent Calendar because of the following concerns raised by committee members:

- It is unrealistic to expect that the University could achieve the policy's stated goal of creating "a workplace where there are zero injuries or illnesses, zero environmental incidents, and zero property losses or damage."
- Component 1 – EH&S control of contractors' actions being within the Contract and not necessarily consistent with this document seems to be a problem. There should be a statement to the effect that independent contractors should be held to the same high standards as University personnel and such standards should be inherent and stated in all contracts with such contractors.
- Guiding principle 9 - Obtaining Authorization Prior to Conducting an Activity: This principle states that there should be a local procedure to obtain authorization before conducting an activity, but it does not include a procedure for identifying situations where authorization may be needed.
- Component 4 – Implementation: The implementation model talks about the EH&S leadership group leading, guiding and assessing the development of programs in this area and that the group should work with faculty advisors. There should be an administration-faculty group directly in charge rather than faculty serving only in an advisory role.
- An important omission is a provision as to who is responsible for students who are not serving in employee roles.

Action: Chair Oakley will send a letter to the Council Chair informing him that it is the view of UCFW that this policy is poorly conceived and not well adapted to an institution whose mission is not exclusively research-focused, and that because of the many changes needed in order to make this an acceptable compliance policy for a campus setting, UCFW will not be able to meet Council's May 6 response date. The committee will have an in-depth discussion of this policy at its May 20 meeting and submit its comments to Council in time for consideration in June.

IV. Executive Session

V. Consultation with Senior Vice President-Business & Finance

Joseph Mullinix

Senior Vice President Mullinix was unavailable to attend the meeting.

VI. Consultation with Vice President-Budget

Lawrence Hershman

Chair Oakley announced that an interview with Vice President Hershman was featured in the April issue of *The Senate Source*. He noted that *The Senate Source* could be found on the Systemwide Senate's website at: <http://www.universityofcalifornia.edu/senate/news/source/april.05.senate.source.pdf>

Legislative Budget Hearings. Vice President Hershman updated UCFW on the Legislative Budget Hearings that are currently underway. Hearings have been held on UC's operations budget in both the Senate and Assembly but no votes will be taken until after the May revision. Because of UC's compact with the governor, no major changes are expected in the May revision. UC continues to have an issue about funding for student academic preparation programs. The governor's budget proposes the

withdrawal of \$17 million in one-time funding that was provided at the end of the 2004-05 budget process to sustain state funding for UC academic preparation programs. UC is working with the Legislature and governor to forge a consensus on the importance of these programs and to restore the \$17 million. UC has also been working on the Science and Math Initiative. It is expected that the governor will be a strong supporter of this Initiative. Both the president and provost have personally invested considerable effort in this Initiative. UC will be revisiting the issue of adjusting the marginal cost formula to account for increasing enrollments on some of the campuses and to provide funding for faculty salary increases.

Lagging Faculty Salaries. In response to a question about the increasing gap between faculty salaries at UC and the comparison-8, which is currently at 10%, Vice President Hershman noted that UC had addressed similar problems in the 1980s and 1990s by granting special pay increases to faculty. These increases exceeded those paid to other UC employees. OP has ruled out such a differential increase in faculty salaries as a remedy for the present lag in faculty salaries vis-à-vis comparator institutions. OP believes this would be unfair to other UC employees who have not received any salary increases for the past several years while many faculty have received merit increases. The hope is that the disparity in salaries between UC faculty and the comparison-8 will not erode further, but there is currently no plan to catch up since the costs for a sufficient across-the-board increase in employee salaries would be prohibitive. The long-term goal is to do something special for both faculty and staff.

Action: UCFW does not believe that current policy on the lagging faculty salaries at UC is the appropriate direction for the University to follow. The top priority for UC should be to get faculty salaries to parity with the comparison-8 as soon as possible; otherwise, the quality of the University will be irreparably harmed. This is in keeping with the recommendation UCFW made last fall in response to OP's call for input as to UC's budget priorities. UCFW will ask administration for an affirmation that it is the policy of the University of California to get back to parity with the comparison-8 as soon as possible, and request a plan from administration for achieving this goal.

Implementation of Range Adjustment. Vice President Hershman asked for advice about the implementation date of the anticipated range adjustment. The options are to provide either a 2.0% range adjustment effective October 1 or a 1.5% adjustment effective July 1. Since July 1 is the historical date for implementing a range adjustment and is also the effective date of merit increases, a July 1 range adjustment would mean that all salary increases would occur on the same date. An argument for delaying the range adjustment until October 1 is that this would provide a larger base for each subsequent range adjustment, which would compound over time. This may have implications for faculty recruiting. The October 1 date would also avoid the administrative burden of retroactively paying increased salaries when, as is usually the case, the state's budget is not enacted until after July 1.

Action: UCFW recommended that the range adjustment be implemented on October 1.

VII. Consultation with the University Treasurer

David Russ

Treasurer Russ was unavailable to attend the meeting

VIII. Report on the April 14 Meeting of UCFW's Health Care Task Force (HCTF)

Harold Simon, Chair

Chair Simon reported that the HCTF had intended to begin discussion of several key items at the meeting scheduled for May 10 but was unable to do so because the needed data will not be available until the middle of May. As a result, the May 10 meeting has been rescheduled for June 8. Chair Simon briefed the committee on the following items that were addressed in discussions by the HCTF.

Health Maintenance Subcommittee. Over the past several years, the HCTF has been pursuing a health maintenance program for UC employees. A subcommittee working on this issue under the leadership of Dr. Lester Breslow has proposed a comprehensive health maintenance plan derived in part from plans successfully implemented by several large US corporations. As a part of this effort, representatives from Blue Cross and Health Net met with HCTF to provide answers to the following questions: 1) What can

your Plan offer toward a comprehensive health maintenance service at UC? 2) What can your Plan do to promote participation? 3) Can your Plan report UC-specific information on participation? 4) What can UC itself do toward improving health maintenance among its employees? The HCTF plans to have a similar session with representatives from Pacific Care and Kaiser at its June meeting. The task force may also hear from Definity. With respect to Definity, Stanford has moved its optional plans into a Definity-like program, which UC will be monitoring.

Delta Dental Issues:

1) **Catastrophic Coverage.** Since dental insurance plans are tailored to dental health maintenance and prevention, catastrophic coverage is not available. The medical plans are expected to cover catastrophic dental injuries. However, problems sometimes arise when a medical plan balks at or refuses to cover a dental injury. It was decided that this issue could best be addressed as follows: 1) Delta has agreed to provide information to its clients about catastrophic events, and 2) HR&B will bring this issue to the attention of the campus healthcare facilitators and ask them to become better informed about this disconnect and explore ways for how it might be addressed.

2) **Implants.** An implant typically costs between \$4000 and \$5000. Delta's coverage of implants covers the usual fractional costs up to the \$1500 annual limit of coverage.

3) **Raising Level of Coverage.** A question has been raised about whether UC employees would benefit from UC increasing the amount of covered dental insurance from the current maximum of \$1500 per person. Although Delta has reported that less than 2% of the UC population exceeds the maximum, HR&B is exploring the costs of raising the coverage limit.

Prescription Disbursements. Blue Cross patients can obtain the same 90-day amount of prescription drugs from UC medical pharmacies as are available through mail order. At present, an initiative to expand this program to UC's other medical carriers is underway. Thirty-nine percent of the Blue Cross business on the campuses has migrated into the UC pharmacies, which has greatly benefited the UC pharmacies.

Action: HCTF Chair Simon noted that the minutes of the April 14 meeting of the HCTF would be circulated to UCFW as soon as they are completed and reviewed by the HCTF Chair.

Following the HCTF Chair's report, Chair Oakley distributed a report on health savings accounts from The Commonwealth Fund, a private foundation that supports independent research on health and social issues. The report states that health savings accounts are of little benefit to many uninsured Americans because of the high premiums. Chair Oakley also reported that he had received a message from UCFW member Morton Printz (UCSD), who was unable to attend the meeting, concerning questions about Plan formularies and problems with physician referrals in San Diego for those enrolled in Blue Cross Plus. Chair Oakley will forward these issues to the Health Care Task Force Chair for further action. With respect to another issue raised by Professor Printz on medical plans including annual physical exams, Chair Oakley noted that this issue was currently being addressed by the HCTF within the context of the proposed health maintenance program discussions.

IX. Supplemental Disability Plan Option in November's Open Enrollment

Jill Slocum, Coordinator-Academic Advancement

Mark Esteban and Marie Graham, Directors-HR&B Policy and Program Design

Issue: This was a new item introduced by Coordinator Slocum to inform UCFW members about UC's plan to include a one-time employee-paid supplemental disability plan in Open Enrollment this fall. The supplemental disability plan combines both short-term and long-term coverage. In recent years, the supplemental disability plan was only available to employees at the time they were hired. Offering the plan through Open Enrollment will allow those not currently covered by the supplemental disability plan to enroll, including those with pre-existing conditions. Currently about 65% of the faculty are enrolled in the plan.

Overview. Coordinator Slocum, with the assistance of Directors Esteban and Graham, gave a brief overview of UC's disability coverage. UC has a short-term disability plan that is mandated by the state.

This is a 26-week disability benefit that pays a monthly amount of \$800. In addition, faculty and staff can purchase a supplemental disability plan that wraps around the short-term plan, which will provide an increased short-term benefit of up to 70% of pay and up to one year of leave. Employees with the supplemental disability plan also receive an additional benefit of up to 70% of the base salary that is offset by any UCRP disability income benefits. After one year, if the employee has 12.5 years of service credit, UCRP will pay 40% of the employee's base salary as a long-term disability benefit, which is taxable. The paid disability benefit is generally payable until age 65. HR&B will begin distributing information in June on the open-enrollment opportunity to add supplemental disability coverage. It would be helpful if the local Faculty Welfare committees would lend their assistance in informing their faculties about the supplemental disability plan, once the informational materials are completed and ready for distribution.

Action: Coordinator Slocum and Directors Esteban and Graham agreed to begin drafting a primer on UC's disability program that could be broadly distributed by all Faculty Welfare committees. Ideally this would be a one to two-page bulletin that could also include an additional faculty-to-faculty message. They will have a draft prepared in time for UCFW's review at the May meeting.

**X. Informal Review of Proposed Revisions to APMs Related to Absences/Sick Leave, Medical Separation and Leaves of Absence/General
AVP Ellen Switkes and Coordinator Jill Slocum, Academic Advancement**

Issue: The Academic Council Chair requested Systemwide committees to review and submit comments on the above listed APMs. Committee responses were requested by May 10, 2005. AVP Switkes was unavailable to participate in this discussion.

Overview. Coordinator Slocum provided an overview of the revised and new APM policies, as summarized on agenda pages 19-20. Coordinator Slocum explained that over the past several years there has been an interest on the part of campus administrations for UCOP to standardize sick leave and related policies. The proposed revision of APM 710, Leaves of Absence/Sick Leave, provides guidelines for the amount of paid sick leave that may be granted to academic appointees who do not accrue sick leave and when medical information should be requested in support of periods of paid sick leave. The proposed new policy, APM 080 on Medical Separation, outlines the process for medical separation of academic appointees who have exhausted sick leave and continue to be unable to work for health reasons and for whom reasonable accommodation is not possible. The proposed revision of APM 700 adds the concept of constructive resignation for faculty who are absent without approval or who do not return to assigned duties after an approved leave of absence. Slocum distributed a chart that summarized the features of two possible sick leaves/disability proposals for faculty. Model #1 is the proposal currently under informal review, and Model #2 combines the revision to the APM policy on sick leave with changes to the Supplemental Disability Plan. These proposals exclude the Health Sciences faculty. Slocum clarified that the sick leave provision is separate from, and in addition to the childbearing-childrearing "active service modified duties" provision.

Discussion Points:

- 080-1 Basis for Medical Separation Review. This is an all-new policy, which needs to be carefully and thoroughly vetted. The policy lacks the necessary standards and safeguards. For example, how is this process implemented? Can someone be separated who could potentially return at some later time? It would be desirable if the policy included a specified timeframe of, for example, two years.
- 700.16 Restrictions. This policy represents a substantial change in the APM, since there is currently no policy for separating a faculty member who has an on-going disability. As written, this policy gives the chancellor the authority to separate a faculty member who does not have an "approved leave of absence," even though that faculty member could eventually return to full employment at some later time. There should be some protections regarding what constitutes sufficient proof that someone is disabled.
- To avoid confusion, the term "accrued sick leave" should be clarified in policy 710-22.

- It is unclear why Health Sciences academic appointees are not also covered. Paid sick leaves should be factored into the costs of the compensation policy.
- The Health Sciences Compensation package is driving a “wedge” between types of UC faculty and creating two sets of faculty – Campus Faculty and Health Sciences Faculty. APM 710-22 may bear directly on this issue.
- Staff and academic employees who accrue sick leave have the right to take paid leave to care for family members, but Senate faculty do not. For Senate faculty, how do the provisions of 710-24 intersect with the family medical leave policy? Does this proposal undercut some of the proposed new provisions in the family medical leave policies?
- Since the childbearing benefit is not family or medical leave, an explicit statement should be included in the policy to make this clear.

UCFW members felt that because these proposals were in many instances unclear and possibly unfair, a more thorough review was warranted than could be accomplished within the time currently allotted for the review period. Since Chair Oakley had received assurances prior to the meeting from AVP Switkes that the review period could be extended by a month, the committee decided that the most effective way of achieving acceptable policies would be for UCFW to form a subcommittee that could work with the Office of the President staff on re-drafting the proposals.

Action: Chair Oakley appointed members Anderson, Chalfant and Ness to serve on the subcommittee. Member Anderson agreed to chair the group. The goal will be to have revised drafts of these policies completed and available for UCFW’s review by the May 20 meeting. Chair Oakley will report the committee’s action on this item to the Council Chair.

XI. Report on Catastrophic Long-Term Care Insurance Options

Robert Newcomer, UCSF

This Item was deferred to the May meeting.

XII. Campus Implementation of UCFW Parking Principles

Issue: This was a continuation of UCFW’s February discussion.

Chair Oakley directed attention to Agenda Enclosure 8 – UCLA’s response to UCFW’s parking principles. UCLA reported that employee parking is sufficient, secure, and reasonably priced. UCLA also has an impressive parking replacement policy. Agenda Enclosure 9 is the March 2005 UCSB Faculty Newsletter, which contains two informative articles on the state of parking at UCSB. There is a new subcommittee on parking that is headed by UCFW member Doug Morgan. Morgan reported that UCSB is currently in the process of constructing a new parking structure. He noted that parking rates typically increase when parking structures are constructed. The subcommittee has begun a series of meetings with UCSB parking officials and campus administrators on establishing parking policy and setting rates. UCR member Ness provided an update on the status of parking at UCR. She reported that she is on a search committee to find a new parking services director. Member Ness will provide additional information on emerging parking issues at UCR via email.

Action: UCFW plans to send a letter to OP administration at the end of this academic year requesting a proactive response to the UCFW parking principles that were endorsed by the Academic Council on June 19, 2002.

XIII. New Business

Issue: Vice Chair Russell reviewed the proposed 2005-06 meeting dates with returning members and proposed changing the January 6, 2006 meeting date to January 13, 2006, because several members had reported that they would be unavailable to attend a January 6 meeting.

Action: It was decided that the January 6, 2006 meeting date would be changed to January 13, 2006. The committee analyst will follow up on this change.

Other New Business: UCLA New Business – Student Records

A UCLA faculty member is being sued because of a student-records privacy issue. There are currently no guidelines for faculty to follow with respect to faculty liability regarding student records.

Action: UCFW decided to make this issue an agenda item for the May or June meeting, with a goal of formulating some systemwide guidelines for faculty on the handling of student records.

The meeting adjourned at 4:00 p.m.

Betty Marton, Policy Analyst

Attest:

John Oakley, UCFW Chair