

Minutes of Meeting**June 11, 2010****I. Chair's Announcements***Shane White, UCFW Chair***1. Salary Scales***(with Bill Parker, UCI Representative)*

UPDATE: A working group comprised of representatives from UCAP, UCFW, UCPB, and UCOP Academic Personnel has been reconvened to determine the priority and emphasis that should be placed on fixing the salary scales, and to determine a course of action, if desired. One option the working group is considering is whether the scales are, at this point, irreparably broken.

DISCUSSION: Members inquired whether UCAP had adopted total remuneration as their decision-rule, as UCFW has. Chair White indicated that he was unaware of any official vote, but it seemed to be a widely held position. Members also voiced concern that since the previous four year plan to fix the salary scales had been abandoned mid-way, and had the effect of exacerbating some inequities rather than ameliorating them, subsequent endeavors might suffer similar fates. Others added that in some departments, staying off-scale is considered a badge of honor. Representative Parker asked what goal UCFW sought: a complete fix of the scales or a significant improvement that might prevent them from being discarded?

ACTION: Analyst Feer will solicit Academic Personnel for the latest salary figures for distribution to the committee.

2. Academic Council of May 26, 2010

UPDATE: UCFW's letter on child care was endorsed with minor editing, as was the committee's letter on compliance improvements. The Hess Resolution from last month went forward in parallel with a similar statement generated by the UCLA division. It seems that many feel that minor, short-term austerity measures will suffice to see UC safely through its current crisis; efforts to persuade divisional representatives to the Academic Council of the severity of the problem have been unsuccessful. Similarly, UCFW and UCPB failed to align on wording for the resolution, reflecting a similar split in priorities. Nonetheless, the Hess Resolution was narrowly adopted by the Council and will be transmitted to President Yudof as co-chair of the Commission on the Future.

DISCUSSION: Members felt strongly that it was important for the president to receive the recommendation in his role as president, not just as Commission co-chair; it is hoped that doing so would encourage him to think to apply the principles reflected in the Resolution in realms other than the Commission charge, narrowly interpreted.

ACTION: Analyst Feer will draft a memo to the Academic Council requesting that the Hess Resolution be sent to President Yudof in his role as president.

3. StayWell Concerns*(with Joel Dimsdale, UCFW Vice Chair)*

ISSUE: Some faculty have raised questions regarding the confidentiality and security of information provided to StayWell; reports of unsolicited follow-up calls and piracy of personal information have caused concern.

DISCUSSION: It was posited that StayWell participants perhaps misunderstood the role of wellness coaching as described, and so better explication might be advisable. Also, a more secure sign-up feature could help.

ACTION: These concerns will be shared with HR&B consultants.

II. Commission on the Future and UCPB's "Choices" Report

DISCUSSION: Members opined that the Choices Report serves very well as a concept document, rather than a blueprint. The many qualifications in the Choices Report delimit its utility, in some instances; a more pragmatic approach, rather than a philosophical one, is called for in the short term. Members still felt that the documents from the Commission were too limited in scope and lacked sufficient integration to have significant impact on the University's current situation.

ACTION: Chair White, UCI Representative Parker, and UCR Representative Hare will draft the committee's responses and circulate them for electronic approval.

III. Consultation with the Office of the President – Budget

Patrick Lenz, Vice President

UPDATE: VP Lenz indicated that the University was well-positioned for budget negotiations. A recent statement by Governor Schwarzenegger that placed higher education funding as a top priority was most welcome. So far, both houses have approved \$305M restorations, albeit from different sources. This year's one-time funding, including ARRA, leaves several questions for next year. Increased allotments from new taxes are unlikely, especially as this is an election year. Efforts continue to remove statute language obstructing UCRP funding. VP Lenz extended his thanks to the Senate for its help in refuting the LAO and other public statements.

DISCUSSION: Members asked for further information on the status of removing the language opposing UCRP funding, and VP Lenz stated that the education campaign in Sacramento has been going well; the LAO now recognizes the fiduciary obligation, but has yet to explicitly accept the state's legal obligation to pay. Further education is required and planned. Members also asked what programs the legislature would fund. VP Lenz said that the UCR medical school, the King-Drew efforts, and work on redistricting are popular in the legislature. The ongoing challenge, however, is frame these, and any, expenditures as investments, not redirections. Members asked about funding for annuitant health, and VP Lenz answered the allocated \$14M should be safe moving forward.

Members then queried as to the long term budget strategy. VP Lenz noted that while the initial 2011-12 budget will be prepared by the current administration, all modifications will be made by the governor's team that takes office in January. UC can make several significant effort to improve its negotiation position, such as proactively taking steps to reform UCRP. Consequently, getting PEB recommendations before The Regents in November and December will be important. Members asked what constituted pension reform in this context. VP Lenz suggested that reductions in out-year costs and liabilities would be viewed as meaningful reform, but that discussions continue.

IV. Emeriti Activity Report

Charles Hess, Chair of Council of University of California Emeriti Associations (CUCEA)

ISSUE: CUCEA compiles this report biannually to further demonstrate the value emeriti add to the University. Highlights from the current report include: a high 33% response rate, the continued generation of extramural funding and F&A income, classroom participation with 6600 undergraduates and work with 7000+ graduate students, as well as myriad fundraising efforts.

ACTION: Analyst Feer will transmit the full report both to UCFW members and the Academic Council, asking for its wide dissemination.

V. Consultation with the Office of the President – Academic Personnel

Pat Price, Interim Executive Director

UPDATE: Director Price reported that a new vice provost for Academic Personnel had been approved by The Regents. Susan Carlson, coming from the Iowa State University, will begin July 12.

VI. Post Employment Benefits

Bob Anderson, Chair, Task Force on Investment and Retirement (TFIR)

NOTE: This discussion occurred in executive session; other than action items, no notes were taken.

VII. Consultation with the Office of the President – Environmental Health and Safety, Office of Risk Services

Kevin Confetti, Risk Services Director

Erike Young, Interim Director, EH&S

ISSUE: Directors Confetti and Young introduced their office and the scope of its responsibilities. They framed their office as UC's insurers whose goal is risk minimization. In contrast to the Office of Ethics, Compliance, and Audit, EH&S works to teach University personnel how to become safer and more compliant, whereas ECA enforces non-compliance with state laws.

DISCUSSION: Members inquired as to the amount and types of insurance offered by EH&S, and Director Confetti indicated that the office is responsible for certain types of medical malpractice insurance, travel abroad policies, and some third party lawsuits. Members then asked whether EH&S' goal was to minimize accidents or legal impacts. Director Confetti responded that loss prevention is their primary goal, but that it can be accomplished in many different ways. While training is an important aspect, embracing a culture of safety and risk reduction is more fundamental. To that end, EH&S has developed a new strategic plan designed to improve communications and eliminate redundancies, and more importantly, conflicting feedback. One method to reduce both is to implement general risk evaluations, rather maintain the current series of ad hoc inspections. Members were supportive of these goals and methods, noting that many recent programs seem to be reactive to single-instances and are not designed to improve overall attitudes.

VIII. Report from the Health Care Task Force

Robert May, Chair, HCTF

UPDATE: HCTF next meets on the 24th of this month. Topics to be addressed include: 1) StayWell information security concerns; 2) implementation of “gap coverage”; and 3) 2011 premiums. To date, there is no new information regarding retiree health; the plan remains to lower the employer subsidy for retiree health insurance premiums from the current ~87% to 70% over the next several years.

DISCUSSION: Members asked what was meant by “gap coverage”, and Chair May answered that the recently adopted federal health care legislation requires insurers to cover dependents up to age 26, increasing the cap from age 23. The changes are not legislated to take effect until January 1, 2011, but employers have the option of offering coverage to those caught in the gap – those who will age out between now and January. Although most individuals caught in the gap would be COBRA eligible, it is thought that the cost is not prohibitive, and that UC’s commitment to family friendly policies could benefit from offering “gap coverage.”

IX. New Business

1. July and August UCFW Business

Chair White indicated that UCFW business will continue over the summer and reminded members that their term of service does not end until August 31. Accordingly, teleconferences and electronic work is to be expected.

2. Bonus and Incentive Plans

DISCUSSION: Members agreed that moving forward with revisions at this time would be inevitably misinterpreted and thus a political misstep.

Action: Analyst Feer and Vice Chair Dimsdale will draft a memo to HR&B encouraging them to table this matter and then circulate it for electronic approval.

3. Systemwide Semester Calendars

ISSUE: This idea has arisen, partly in response to last fall’s differential fees discussions, and partly in response to suggestions to and from the Commission on the Future. Proponents contend that transfer agreements will be smoother and that corporate payroll systems will evince savings.

DISCUSSION: Members were not persuaded by the advanced reasons, and they noted that this topic arises regularly and is regularly voted down. Previous studies on the cost of conversion have not been refuted.

4. Potential Changes to Survivor Benefits

ISSUE: Potential changes are projected to save UCRP 0.3% in outlays. It is not clear that these changes justify the individual impacts.

DISCUSSION: TFIR Chair Anderson will seek clarification on the specifics envisioned. Members also suggested that differential impacts by gender due to life expectancy concerns might serve as a rebuttal to any formal proposal.

Adjournment at 4 o’clock p.m.

Minutes prepared by Kenneth Feer, Senior Policy Analyst

Attest: Shane White, UCFW Chair