January 30, 2009

PRESIDENT MARK YUDOF
UNIVERSITY OF CALIFORNIA

Re: Restart of contributions to UCRS

Dear Mark:

The Academic Council discussed the restart of employee and employer contributions to UCRS at its meeting on January 28. Council endorsed the recommendation of the University Committee on Faculty Welfare (UCFW) that Council support resumption of contributions regardless of the immediate effect on total remuneration. Council emphasizes, however, that the imperative to restore competitiveness to the faculty salary scales is equally important. It asks that The Regents use data obtained from the currently ongoing analysis of total faculty remuneration to make appropriate salary improvements in 2010-11, including those needed to remedy any detriment caused by restarting employee contributions to UCRS.

The UCFW letter recommending this position is attached.

Please do not hesitate to contact me if you have any questions regarding Council’s comments.

Sincerely,

Mary Croughan, Chair
Academic Council

Copy: Katherine Lapp, EVP
Academic Council
Martha Winnacker, Senate Director
January 29, 2008

MARY CROUGHAN, CHAIR
ACADEMIC SENATE

RE: Restart of Contributions to UCRP and Its Effects on Total Remuneration

Dear Mary,

I am writing to convey to you the current position of a majority of the members of UCFW on the proposed restart of employer and employee contributions to UCRP. The vote for forwarding this statement to you was ten in favor and three opposed; the dissenting members preferred to keep the current Senate policy unmodified.

The current position of the Senate on restarting contributions to UCRP is clearly stated in the July 2, 2008, letter from Michael Brown to President Yudof. In this letter the Senate (a) expressed its unanimous support for the restart of contributions as outlined in the funding policy, which was ultimately adopted by The Regents at their September, 2008, meeting under the condition that (b) such funding does not lead to a decrement in the total remuneration of UC employees. The principles in which these positions are grounded are detailed in the aforementioned letter and attachments; they will not be repeated here.

It now appears that, due to the current budgetary situation, these two imperatives, restoring the health of the University’s retirement system and resisting the further erosion of the competitive position of the University in its ability to recruit and retain faculty and staff, are not simultaneously attainable at this time. UCFW recognizes that the University faces a dilemma and that the most feasible resolution is to uncouple these two imperatives and proceed with the restart of contributions to UCRP. We strongly believe, however, that the two imperatives are of equal and critical importance to the welfare of the University, and that although it may be necessary for them to be temporarily disconnected, this period should be as brief as possible.

Therefore we ask that the Academic Council urge the President to request that the Regents learn as soon as possible (from the comparison study currently being carried out) the effect of restarting employee contributions on the University’s competitive position in total remuneration of faculty and staff; and that they resolve to reverse any negative effects of restarting contributions on total remuneration through appropriate salary increases in the 2010-2011 budget year.

Sincerely,
Helen Henry, UCFW Chair

Copy: UCFW
    Martha Winnacker, Executive Director, Academic Senate