

UNIVERSITY OF CALIFORNIA, ACADEMIC SENATE

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SANTA BARBARA • SANTA CRUZ

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*Chair of the Assembly of the Academic Senate
Faculty Representative to the Regents
University of California
1111 Franklin Street, 12th Floor
Oakland, California 94607-5200*

February 11, 2016

**PRESIDENT JANET NAPOLITANO
UNIVERSITY OF CALIFORNIA**

Re: Assembly Resolution Regarding the Imposition of the PEPRA Cap on the University of California and the Discontinuation of the Current Pension Plan

Dear Janet:

At its February 10, 2016 meeting, the Assembly of the Academic Senate adopted the following resolution to be submitted for your consideration. The resolution passed unanimously with one abstention.

Sincerely,

Handwritten signature of J. Daniel Hare in blue ink.

J. Daniel Hare, Chair
Academic Council

Cc: Assembly of the Academic Senate
Chief of Staff Grossman
Senate Director Baxter

Resolution of the Assembly of the Academic Senate of the University of California

Adopted February 10, 2016

WHEREAS:

Through its path-breaking research and providing the state with a high-skilled workforce, the excellence of the University of California system plays a well-documented and vital role in keeping the California economy thriving; and

That excellence is also critical to providing access for all segments of California's society to a cutting-edge education that makes them competitive for the best jobs and the best graduate and professional schools, thereby aiding social mobility and the goal of a more just society; and

That excellence remains dependent on the ability of the University of California to attract and retain the best faculty; and

That ability is dependent on offering faculty total remuneration that is competitive *vis-à-vis* other institutions; and

As documented in the Retirement Options Task Force (ROTF) report, the analysis of Professors Chalfant & Hare, UCFW's report, UCPB's report, and the Divisions' reports, the proposal to accept the Public Employees Pension Reform Act (PEPRA) cap and to adopt either pension plan put forth in the ROTF report means offering an inferior pension plan to new employees *vis-à-vis* the current pension plan (the 2013 Tier), thereby reducing the value of that component of their remuneration,

BE IT RESOLVED THAT:

The Assembly rejects the imposition of the PEPRA cap on the University of California and the discontinuation of the current pension plan in the absence of any plan or program to fund or to provide compensating increases in total remuneration, so as to prevent harming the mission of the University of California by eroding its ability to recruit and retain the best faculty.

IT IS FURTHER THE ASSEMBLY'S SENSE THAT:

As documented in the reports of the Divisions, the cost of providing such compensating increases, as well as other resulting costs, could well exceed any savings resulting from adopting either pension option offered in the ROTF report (including factoring in the \$436 million that has been offered by the State), which argues that, at the very least, further analysis and planning are warranted prior to their possible adoption to ensure that the University does not pursue an action that is costly and damaging.