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*Chair of the Assembly and the Academic Council
Faculty Representative to the Board of Regents
University of California
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December 23, 2008

**PRESIDENT MARK YUDOF
UNIVERSITY OF CALIFORNIA**

Re: 2009-2010 University Budget

Dear Mark:

At its November 24 meeting, the Academic Council requested that I write you to express Council's appreciation for your inclusion of the Academic Senate's top priorities—funding Year 2 of the Faculty Salary Plan, increased funding for graduate students, and restarting contributions to the UC Retirement Plan—in the proposed University budget for 2009-10. All three are critical to the quality, excellence, and health of the University.

As you know, the Faculty Salary Plan aims not only to raise faculty salaries to competitive levels, but also adjusts the salary scales to reduce the need to offer off-scale salaries to retain existing faculty and to recruit new hires. Reliance on off-scale salaries to meet case-by-case market demands has created serious internal inequities and pressure for long-serving faculty to seek out competing offers, so that the University's peer-driven merit review process is no longer aligned with compensation. Fixing the faculty salary scales to restore their link to the peer review process is key to preserving the preeminence of the University.

Similarly, UC's ability to attract the best graduate students—essential to maintaining UC's prominence as the top public research university in the nation—has been compromised by our inability to offer competitive support packages. We appreciate your continuing commitment to increased funding for graduate students.

Finally, the Academic Council has long advocated for restarting contributions to the UC Retirement Plan. It is crucial that the University maintain the health of its retirement system, particularly in light of years of uncompetitive salaries. We know that you are determined to meet the University's commitment to its retirees and are confident that you will strive to do so without further erosion of the competitiveness of total faculty remuneration.

The Academic Council was pleased to see that you presented a budget that incorporates its highest priority concerns, and that the budget represents the true costs of running the University. Given that final fiduciary responsibility lies with the Board of Regents, I would greatly appreciate it if you would forward this note of appreciation to the Board.

Sincerely,

A handwritten signature in black ink that reads "Mary Croughan". The script is fluid and cursive, with the first name "Mary" and last name "Croughan" clearly distinguishable.

Mary Croughan, Chair
Academic Council

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