

Report of the Representative to the Assembly of the Academic Senate

TO: Academic Senate, Santa Cruz Division:

I would like to report on the two meetings of the Academic Assembly that have occurred since the last meeting of our Division.

November 9, 2005 Assembly Meeting via Teleconference

In his announcements, Chair Brunk stated that subsequent to the resignation of Provost M.R.C. Greenwood, the President has appointed Vice President of Academic and Health Affairs W. Rory Hume to be Acting Provost until a full search is completed. Professor Brunk also announced that there is a new procedure of the review of the California Institutes of Science and Innovation which will be implemented this year. Although this policy was reviewed by three committees of the systemwide Senate, there was concern expressed that it has never been reviewed by the divisions or by all Senate committees. This review procedure may be revisited after two years.

The Assembly then turned to three resolutions dealing with RE-61, entitled *Policies on Universitywide and Senior Leadership Compensation, and Procedures for Senior Leadership Compensation*, which was slated for final action by the Board of Regents at its November Regents meeting. Item RE-61 contains the following three recommendations to the Regents: (A) to work to achieve market parity for all UC employees over a ten-year period beginning in 2006-07; (B) to shift oversight of salaries for most of UC's senior leadership from the Regents to the administration and establish procedures for setting and determining senior management salaries; and (C) to augment the funding of salaries over \$350,000 by means of private fund raising in order to achieve market comparability. It is noteworthy that this item contains no justification for why the adoption of a ten year plan to increase salaries should supplant the obligation of the President and the Regents to make UC salaries competitive as soon as possible. Also note that there is no funding mechanism identified beyond the Compact except for item C, which would benefit only 42 highly paid senior managers. Many members felt that there are much higher fund raising priorities within the University than raising the compensation of the highest paid administrators.

One resolution, the Academic Senate Resolution on University Salaries, had been placed on the agenda by petition of four members, Professors Pitts and Gerber of UCSF and Blumenthal and Williams of UCSC when it appeared that no other statement might be made by the Senate on this issue. Because the Academic Council subsequently placed two resolutions on the Assembly agenda, these four members withdrew their resolution.

Next, after several amendments were approved, the Assembly unanimously adopted the Resolution on Proper Compensation Priorities for the University of California. This resolution concludes that:

1. The Academic Senate supports increasing the salaries of all University of California employee groups to achieve market parity in as short a time as possible and without any decrease in total compensation; and
2. Priority should be given to the employee groups most proximal to the core teaching, research and service missions of the University of California; and
3. The Academic Senate supports the development of a rational transparent process of determining senior management salaries in a way that any ensuing salary increases are proportionate with those of other employee groups; and
4. Any planned compensation structures for senior management should be subject to full review by the Academic Senate and be instituted in a measured fashion, with transparency and accountability, and include appropriate consideration of performance (analogous to the Committee on Academic Personnel for faculty).

The Assembly then amended and adopted the Resolution in Opposition to the Use of Private Funds for Senior Leadership Salaries, which states “***NOW BE IT RESOLVED that the Academic Senate opposes RE-61, Recommendation C.***” The full text of these two resolutions is available at:

<http://www.universityofcalifornia.edu/senate/reports/assembly.resolution.compensation.1105.pdf>

Chair Brunk announced the formation of the Academic Council Science and Math Initiative Group, whose interim chair will be Berkeley Division Chair Alice Agogino.

In his report to the Assembly, University Committee on Faculty Welfare Chair Raymond Russell emphasized two key issues:

- Mercer Report: UCFW continues to have concerns about the Mercer Report on UC’s total compensation, which was presented to the Board of Regents by Mercer Human Resources Consulting in connection with Regents’ item RE-61. UCFW identified inaccurate assumptions reported by Mercer regarding calculations valuing UC’s retirement benefits.
- UC Compensation: Substantial changes to employees’ compensation packages are on the horizon, including the resumption of employee contributions to the UC Retirement Program (UCRP), expected as of July 2007, and UC’s consideration of retiree health benefits due to a change in the Governmental Accounting Standards Board (GASB) accounting rules.

Finally, Michael Brown, Chair of the Board of Admissions and Relations with Schools, gave an update on two issues before BOARS:

- Admissions – Honors-Level Grade Bump: Chair Brown provided a brief timeline of the admissions studies conducted by BOARS over the past few years regarding the bonus point applied to student GPAs for certified honors-level courses used to determine UC eligibility. BOARS and related task forces of the Academic Council have analyzed extensive predictive validity studies, access and equity studies, and behavioral effects of the grade bump policy. On the basis of this information, recently at its November 4, 2005 meeting, BOARS approved a letter to be sent to campus admissions policy committees with the following recommendation: students’ participation in honors-level courses, as one of many

- possible indicators of academic rigor, have value that are supportable in selection, but not in eligibility. Supporting data analyses related to this topic will also be included in BOARS' letter.
- Eligibility in the Local Context (ELC) Study: BOARS implemented an extensive ELC study in 2001 looking at actual data concerning how students admitted under the ELC policy have performed, and also analyzing data to determine whether the ELC policy should be extended, cut back or remain as presently written. BOARS' recommendations on this issue are expected to be finalized in the upcoming months.

February 8, 2006 Assembly Meeting via Teleconference

President Dynes was unable to attend this Assembly meeting because he was testifying at hearings in Sacramento on University Compensation. As is his custom, he submitted a written statement to the Assembly, located at <http://www.universityofcalifornia.edu/senate/assembly/feb2006/president.rep.pdf> and Acting Provost Rory Hume was present to answer questions.

The Assembly's first action was to elect, by acclamation, Professor Michael Brown (UCSB and current BOARS chair) as the next Vice Chair of the Academic Senate. His term begins September 1, and one year later, he becomes Chair of the Senate.

Next, the Assembly approved a Memorial to the Regents on Nonresident Tuition for Graduate Students. This memorial was approved by the Davis Division for transmittal to the other divisions. An amendment from the Berkeley Division to limit this memorial to graduate students beyond the first year was rejected by the Assembly. Since the Assembly approved the Memorial, it will be submitted for a mail ballot of all UC Senate faculty. If approved, it will then be formally sent to the President for submission to the Regents. The key statement in the Memorial is *"The Academic Senate of the University of California requests that the Regents of the University of California structure and advocate a budget for the University that eliminates non-resident tuition for academic graduate students."*

Then, after approving some amendments, the Assembly adopted a set of Compensation Principles for transmittal to the Board of Regents. These principles are located at <http://www.universityofcalifornia.edu/senate/assembly/feb2006/assmb.comp.principles.0206.pdf>. These principles are intended to guide the University to avoid the kind of controversy in which UC now finds itself. The four approved principles are:

1. Transparency: The University's internal and external constituents should know what the abiding compensation policies and practices are, and those policies and practices should closely correspond.
2. Fidelity to Shared Governance: With respect to personnel policies and practices, the Regents and the Academic Senate have important complementary roles to play in the review, consultation, and approval processes, and those roles should be respected.

3. Fairness within the context of the entire University of California community: Personnel policies and practices should be those that inspire faith in the institution and confidence that the entire community is being treated justly.
4. Merit: Beyond cost-of-living and “Comparison Eight” adjustments, which should be implemented in a manner consistent with the preceding principles, compensation for all employee groups should be based on performance, as assessed in fair, valid, and transparent ways.

As a part of the document, the Assembly also approved a list of specific recommendations to the Regents. I shall list three of them here:

- We strongly encourage the Regents to develop policies that firmly establish total compensation levels for leadership that are appropriate for a public trust and to act promptly to identify and remedy any areas where practices do not correspond to policies.
- We recommend that compensation increases for the University’s leadership should not lead that of the faculty and other staff of the University of California.
- As is consistent with its role in shared governance, we call for sustained scrutiny by the Academic Senate, acting through the Academic Council, of systemwide and Office of the President compensation, perquisite, separation, and leave policies and practices. The Academic Senate already reviews and comments upon academic personnel policies and practices. However, there is an apparent need for Academic Senate consultation, drawing upon its expertise in performance-based compensation reviews, in the areas of *non-academic* personnel policies and practices.

The other recommendations can be viewed at the above website.

Respectfully Submitted;
REPRESENTATIVE TO THE ASSEMBLY

George Blumenthal

23 February 2006