



CHAIR, ACADEMIC SENATE
RIVERSIDE DIVISION
UNIVERSITY OFFICE BUILDING, RM 225

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October 25, 2010

Daniel Simmons
Professor of Law
Chair, UC Systemwide Academic Senate
1111 Franklin St., 12th Floor
Oakland, CA 94607

Dear Dan:

Re: REQUEST FOR SYSTEMWIDE REVIEW OF PROPOSAL ON POST-EMPLOYMENT
BENEFITS

The above request was distributed to all standing committees of the Academic Senate on the UCR campus for review. We received responses from the following committees: Academic Freedom, Academic Personnel, Committee on Committees, Courses, Diversity and Equal Opportunity, Educational Policy, Faculty Welfare, Graduate Council, Physical Resources Planning, Planning and Budget, Privilege and Tenure, Scholarships and Honors, and the College Executive Committees. In addition, the committee reports were discussed extensively at a meeting of our Executive Council on October 25, 2010.

The UCR position on the PEB proposal, based on these reports and the discussion of the Executive Council, is as follows:

Options A, B, and C:

- Of the proposed three options, there was unanimous support for Option C.
- Options A and B were deemed unacceptable. The fact that both are integrated with Social Security benefits in a non-obvious way make them difficult to understand and hard for members of the retirement plan to predict their benefits at retirement -- and therefore make sound decisions as to when to retire.
- Option C was preferred. It is not integrated with Social Security and, therefore, it is easier to implement and less exposed to any risks associated with Social Security.

Option to stay in the current plan:

- A 7% cap for employee contributions is strongly recommended for any current employees who choose to stay in the current retirement plan.
- More information about the choice to stay in the current plan is needed. The lack of detailed information about staying in the current plan makes it difficult for vested

employees to evaluate fully the pending changes. It is important that this information be made available as soon as possible.

Competitiveness of Total Remuneration:

- The erosion of retirement benefits and increased employee contributions endanger the quality of UC by decreasing the competitiveness of total remuneration for faculty and staff.
- Given the pending changes to PEB, the only way to maintain the quality of UC is to raise faculty and staff salaries to competitive levels over the next three years before any changes to PEB are implemented.

Sincerely yours,

Mary Gauvain
Professor of Psychology and
Chair of the Riverside Division

CC: Martha Kendall Winnacker, Executive Director of the Academic Senate
Sellyna Ehlers, Director of UCR Academic Senate office