January 23, 2015

To: Jose Wudka, Chair of the Riverside Division of the Academic Senate

From: Mary Gauvain, UCR Assembly Representative to the UC Academic Senate

RE: Report of the Meeting of the UC Academic Senate Assembly, December 10, 2014

Announcements. The meeting was convened by Mary Gilly, Chair of the Academic Senate, who made the following announcements:

1. Budget discussions between UCOP and the Governor and Governor’s office are ongoing. If the Governor’s budget for UC includes less than UC requests, UC may need to increase the number of non-resident students.

2. There is concern about the lack of an enrollment management plan at the UC systemwide level.

3. The total remuneration study has been released and it reports that UC faculty benefits have dropped from being 18% above our comparative institutions to 1% above. Thus, UC faculty benefits, long touted as a counterweight for relatively lower salaries, no longer compensate for salary differences. The question was raised about how we should deal with the salary gap and, presently, two Senate committees, UCFW and UCAP, are addressing this issue. The committees’ aims are (1) to develop principles to use in a plan to make up the salary gap and (2) to examine what to do with the 3% increase in faculty salaries in 2015-16. It was pointed out that given the magnitude of the salary gap (12%, on average), a one time fix will not even be possible with the 3% planned increase in 2015-16. The best option for this 3% increase is to use it as a COLA and distribute it evenly across the faculty. This option is likely to be proposed by the Senate. The EVCs will also have a say about how to allocate the planned 3% increase.

UCOP Consultation. Two representatives from UCOP, Debbie Obley, Associate VP for Budget Analysis and Planning, and Patrick Lenz, VP for Budget and Capital Resources, came to the meeting and discussed the following issues:

- All campuses are gearing up to increase non-resident student numbers. However, the models estimating additional costs associated with more non-resident students have not been fully developed. Also, more information is needed about some items, such as recruitment costs and campus infrastructure needs for these students.

- Two ideas about the budget have emerged since the Regent’s meeting:
  1. The Governor has focused on reducing the cost of instruction, but he seems unaware of what students want in this regard, and his office has conducted no surveys on this issue. Students have constantly voiced an interest in more contact with faculty. On this point, the Senate would like to see an increase in instructional allocations in the Governor’s budget. It was also pointed out that although the Governor’s higher education plans are, overall, similar across UC and CSU, there are greater incentives for earlier time to degree for CSU than UC students.
  2. There is no plan in the Governor’s budget to address the cost of the UC unfunded students.
Questions from the Assembly:
  o Several pertained to non-California resident students, including: Can we deliver the type of education that non-resident students expect when paying full out-of-state tuition? What is the true cost of educating a non-resident student? Are resident and non-resident students comparable academically?
    ▪ Answers – UCOP is working on these issues, as are the campuses. The current estimate is that UC spends approximately $15,000 per student in core funds to educate California resident students.
    ▪ The BOARS representative added that individual campuses determine their own non-resident student entry requirements. Across the system, on average, non-California resident students score at or above California resident students upon entry to the UC.
  o Question: What can the campuses do about unfunded students?
    ▪ Answer - Without a good budget outcome, campuses will be asked to reduce their numbers of unfunded students.

The final discussion was about the amendment to the California State Constitution proposed by State Senator Ricardo Lara to reduce the autonomy of UC (except in matters of academic freedom and programs). The amendment would pertain to compensation, enrollment, and pension. This effort is, in part, a response to recent UC requests to increase tuition and executive compensation. Prior efforts of this sort in the state have not gotten much traction; however, the current climate may be more receptive, which makes it unclear if such a measure will succeed in getting on a ballot and to the electorate.

Provost Consultation. Provost and EVP Aimee Dorr came to the meeting and discussed several items with the Assembly.
1. The Provost clarified the President’s goals in the recent budget discussions. She said the President is trying to get more funding for UC in general and is not simply after a tuition increase. The President also hopes that all constituencies, including faculty, understand these efforts and are willing to join her in making a case for the importance of the UC to the state of California.
2. UCOP is seeking examples to pass onto the media of senior UC faculty who are accomplished in their research and also actively engaged with undergraduate students. Please send any relevant information to Ann Jones at UCOP.
3. UCOP is undergoing an organizational review process, including a review of the budget system.
4. The President is very interested in innovation and entrepreneurship at UC and she has hired Regis Kelly, a former VC at UCSF, as a senior advisor in this area. He will be working three-quarters time at UCOP, focusing on science and its benefits to society. He will work with the Chief Investment Officer at UCOP on coordinating financial issues with those pertaining to the societal benefit of scientific results. He will also be coordinating his work with similar efforts on the campuses.
5. There was a lengthy discussion of the UC-Mexico Initiative, including the Casa UC in Mexico City, a UC owned building that will be used by this Initiative. UCR has taken
the lead on this initiative, which is proceeding well. Faculty with interests in connecting with this program are invited to contact the UC-Mexico Initiative team.

6. Another Presidential Initiative is the Transfer Initiative, overseen by the Provost, which is trying to establish a more streamlined MOU with community colleges regarding transfer agreements, especially course credit. The Provost noted that CSU’s transfer arrangement is much more effective than that at UC.

UCFW Report. Systemwide UCFW Chair Joel Dimsdale reported on two issues that his committee is tracking closely.

1. Health care
   a. UC Care. The UC Care situation is a concern. Premium costs are higher this year due to losses experienced from prior years. UC Care attracted older employees with more medical problems. UC should consider offering some other PPO options or else UC Care may not remain viable.
   b. Open Enrollment. Open enrollment went better this year than last year. UC provided clearer details this year about the UC Care plan, which may have affected enrollment. New features in the UC Care plan are subtle (e.g., some changes to pharmacy and emergency services). The main problem with UC Care continues to be access, especially at UCSB where there are problems with Tier 1 access.
   c. Potential Conflict of Interest. A long-term concern with UC Care is the potential conflict of interest. UC is on “all sides of table” (patients, providers, insurers) in this plan.
   d. Mental Health Care. In the coming year a health care task force will examine how the option for behavioral care is running. The main question is whether mental health care should be separated out or subsumed under major medical plans.
   e. Medicare. For retirees, UCFW was alarmed by a massive increase in premiums for Medicare enrollees (over 100%). This increase seems to be due to increasing use of expensive medication.

2. Total Remuneration
   a. UCFW has worked with the administration to shape the analysis of salary and benefits. A recurring study of total remuneration will be conducted every few years, with survey results (systemwide and by campus) posted on the Senate website. The analysis will focus on UC compensation relative to our comparison 8 universities. Presently, UC salaries lag behind the market by 12%, benefits lag by 7%, and pensions lag by 2%. Collectively, these figures average to a lag, in comparison with the target 8 universities, of 10%.
   b. The UC is trying to fix these problems, but 2 separate questions are at issue: (1) How to allocate any increases? That is, do we allocate any increased money to rank and step, applied equally to faculty? Or, do we allocate funds through market or bonus off-scales to recognize market realities or compensation inequities? (2) Who determines the payout, the Senate (faculty) or the administration?
There are different traditions across the campuses in answering both of these questions. At present, UCFW recommends:

- focusing on total remuneration rather than salary or benefits;
- proposing a compromise, with a 3% increase across the board to every faculty’s salary (on salary and off-scale amounts), and postpone any differential payout plans;
- campuses should consider, on a case-by-case basis, if salary bumps are needed, perhaps in the context of a career review.

(Note. This item (Total Remuneration) will be discussed early next year by the administration and the Senate.)

Open Education Resources. Randolph Siverson (UCD), a UC representative to the California Open Education Resources (OER) Council reported on the cost of textbooks and efforts underway to address this issue. OER was formed by Senate Bills SB1052 and SB1053 and is charged with examining issues in postsecondary education that are of mutual concern to the three state systems. Regarding textbooks, Professor Siverson reported that the goal of OER is to increase adoption by faculty of open education resources that are free or very low in cost. OER conducted a faculty survey that explored deterrents to adoption of these resources. The main concerns raised were that faculty does not know what textbooks are available as open source and it is difficult to find out this information. The faculty also has concerns about the quality of open source textbooks. About 20% of faculty report they are likely to switch to more affordable books in the near future. The website http://www.cool4ed.org/about.html reports reviews of open source textbooks by discipline, and currently a number of online sources across the disciplines are under review. Professor Kathy Harris (SJSU) is chairing the review committee, which is charged with identifying and reviewing high quality resources. The identification process is underway. The next step is finding faculty willing to review these sources. UC also has a relationship with some publishers, such as Springer and Cambridge University Press, for providing free text downloads for students. Also faculty can work with some publishers, such as Cambridge, in authoring open source or low-cost textbooks, and Cambridge will peer review and copy edit the text.

Coordinating Committee on Graduate Affairs. Jutta Heckhausen (UCI), the Chair of CCGA, reported that the committee is examining procedures for reviewing and approving proposals for new degree titles on the campuses. At present, retitles need to be approved by CCGA and the Assembly, and these proposals can only go directly to the Academic Council if the Assembly is not meeting within 60 days. However, because the Assembly meets infrequently, CCGA requested that the Academic Council be allowed to approve retitles if the Assembly does not meet within 30 days. This motion was passed by the Assembly.

BOARS. Ralph Aldredge (UCD), Chair of BOARS, reported that the committee is in the process of reviewing the admission index regarding students in the referral pool.