



President Robert C. Dynes Video Letter Transcript, September 2006

Welcome. It's mid-September, and summer is over. I hope you had a good summer. I did get a little bit of time myself to refresh and relax. But now it's September – it's the beginning of the school year. In the academic calendar, this is like the New Year. There are lots of students on the campuses, the faculty is cranked up, and students are there and excited. If you feel like you feel a little pulse, walk around campus. It's wonderful. It will give you a new vigor and it will tell you why we do what we do.

This year is a time to look ahead. We've been through some difficult issues, and it's a time to look to the future. We're going through a planning process and we will unfurl the results of that planning process this fall. I look forward to looking ahead for California and for the University of California. It's an exciting time for us to be thinking about the future.

One of the issues that is heavy on everybody's shoulders right now are salaries, compensation and the cost of benefits. We're looking at the cost of health care benefits as we go forward, and it really looks like it's going to be again a double-digit percentage increase in the cost of healthcare.

On the good news, the budget is completed for the state and we have a four-percent increase in salaries. That'll help us raise salaries towards competitive market values but it's not there yet – it's not enough – and we have to continue to work on it.

The other issue associated with salaries and compensation is the retirement program, the University of California retirement program. We have lived for 15 years now without having to contribute to the retirement program. The time has come where we're going to have to contribute again. I'm afraid it's just the way it is in order for us to be fiscally responsible and not have a retirement program, like many corporations in America, where they've had to either go bankrupt or reduce the benefits. I don't want to reduce the benefits. I don't want to reduce the commitment that we've made to retirees and to employees as they look forward to retirement. In order to do that we're going to have to put retirement contributions back in place.

And these are all fiscal issues that are very difficult to predict. I can assure you that I am watching it very carefully and will do the best I can to assure that the pinch on your paycheck isn't anymore than it has to be. And hopefully we can keep your paychecks increasing and not decreasing through this period, but we have a fiscal responsibility to do this.

On some good news, Washington Monthly, just this month, came in with ratings of universities throughout the nation and one of the important criteria that they used was the contribution of universities to society and to the community. And I quote one statement from this rating: "The University of California continues to rule." We completely dominated those ratings because of our strength and our commitment to the public. I'm very proud of that. You should be very proud of that rating.

This is a good time for the University of California. We're looking forward. As always, let me invite you if you have any comments, to go to Dynes' desk and write comments to me. I promise I read every one of those that come to me. I can't respond to every one, but I read every one. Thanks for tuning in – and let's go.