

Our University

A NEWSLETTER FROM THE UNIVERSITY OF CALIFORNIA PRESIDENT FOR THE UC COMMUNITY



Dear Colleagues:

As the holiday season approaches, I wanted to share my deep and sincere appreciation for the contributions each one of you has made to the University this past year. Your professionalism and dedication to the University and to serving the public under such challenging circumstances is impressive.

I recognize that this has been a difficult year for all members of the UC community. We have all made sacrifices. When I was forced to make hard choices about closing an unprecedented budget deficit, many of you provided thoughtful, insightful ideas about the fairest and best way to go about it.

Even when we have disagreed about how to protect the University, it's clear that we share a fundamental goal: UC must retain its standing as a first-class research institution and as a public university accessible to all qualified California students.

You should take great pride in your accomplishments, and in what you and your colleagues have done this year to support the pre-eminent public university system in the world. You are part of an important enterprise that matters to people's lives.

In the coming year, I will continue to stress the importance of maintaining UC's pillars of excellence, affordability and access. I will also work hard to stabilize our financial situation. If our proposed budget is adopted, I expect that we can end the furlough program, which has placed such burdens on staff and faculty, by the summer of 2010.

But there is much more to do, and the coming year will be challenging. We know we can't continue to rely on the sacrifices of students, faculty and staff to weather these tough times. That's why I am bringing UC's community members together under one banner - UC for California - to fight for greater and more stable appropriations from the State. Speaking with one voice in Sacramento, we will let our legislators know how vital the University is to California and why it demands their support.

We need every member of the UC community to get involved in this effort. It is critical that Californians understand that UC is their university - that we are growing the ideas, solutions and leaders that will move the state forward.

In closing, let me say once again how grateful I am for the dedication and commitment you bring to UC. Together, we can succeed in maintaining the University as the pride of California, and as a model for the world.

I extend to you my very best wishes for a happy holiday season with family, friends and loved ones.

With best wishes, I am,

Sincerely yours,

Mark G. Yudof
President

People Who Make a Difference: Saving Wildlife from Oil Spills

When a tanker spilled oil into San Francisco Bay near Alameda in late October, one of the first calls the California Department of Fish and Game made was to the Wildlife Health Center, a unit of the UC Davis School of Veterinary Medicine. The Center leads the statewide Oiled Wildlife Care Network (OWCN).

Director Michael Ziccardi, a UC Davis veterinarian, and Yvette Hernandez, the field coordination specialist, are two of the eight center staff who primarily work with 29 partner organizations that include regulatory agencies, wildlife organizations, academic institutions and trained wildlife care volunteers to rescue and rehabilitate oiled wildlife in California.

The OWCN has responded to 60 spills since its inception in 1994, treating thousands of birds and other wildlife. "California is unique," Hernandez said, "because state law actually requires us to do this."

The most recent spill was relatively small, Ziccardi said. His group rescued 49 live birds, 28 of which have, to date, been healthy enough to be released. Another 18 died, and roughly 20 dead birds were found washed ashore. Despite the small numbers, almost 200 staff days were logged on animal capture and care activities, and volunteers contributed more than 500 crucial hours at the facility. More than eight different search and collection teams walked the beach on any given day, or used kayaks and other boats to capture the oiled birds.

Hernandez helps coordinate the capture teams.

"For each spill, we first assess the habitat because rescue methods that work well on a beach may not work in wetlands or an estuary," she said. "For example, on a beach the oiled birds are cold, fatigued and stressed. We can use binoculars to assess their health and devise a strategy for capture. Our goal is to keep them out of the water."

Captured birds are then taken to an on-site mobile first aid station, which is basically a camper that's been outfitted as a veterinary clinic. Once there, staff and trained volunteers warm the birds, rehydrate them if necessary, and ensure they are stable enough to be transferred to a primary care facility.

There are 12 primary care facilities around the state. UC Davis (in partnership with International Bird Rescue Research Center) runs the facility at Fairfield, where birds from the October spill were treated, as well as a facility at San Pedro.

At the facility, the birds or other wildlife are examined to make sure they can survive the washing process. Each species reacts differently to cleaning, Hernandez said. "American coots are pretty hardy and can tolerate washing pretty well. Grebes are more delicate. The people who do the washing are really skilled at getting oil off the birds."

For Hernandez, putting together a successful team of staff and volunteers is as satisfying as rescuing the birds. "I always thought seeing the rescued birds released would give me the greatest job satisfaction, but seeing the staff and volunteers who have worked so hard be so completely humbled and grateful is what really makes me happy."

Solutions: Access to a UC Education

One of the hallmarks of the University of California is its rare combination of a world-class education and a high proportion of students from low-income families. UC leads the nation in educating low-income students, with more than 30 percent of enrolled students receiving Pell Grants. At Harvard, Stanford and Princeton, that figure ranges from 8 to 15 percent.

In these bleak budget times with rising student fees, the University is working harder than ever to ensure that a UC education is affordable for all qualified students. Efforts include:

Project You Can

<http://youcan.universityofcalifornia.edu/>

In late October, UC launched Project You Can, a campaign to raise \$1 billion for student scholarships over the next four years. That's double the amount privately donated to scholarships, fellowships and other gift aid in the previous five years.

"Our message today is simple," Yudof told an assembly of students at Sunnyside High School in east Fresno. "If you can earn the grades, you can get into the University of California. And if your family needs help, you can get financial aid.

"We're in the opportunity business, and even in hard fiscal times we are going to be doing everything we can to preserve one of the greatest attributes of the university — its rare combination of world-class education and research and its high proportion of students from low-income families."

Blue and Gold Opportunity Plan

<http://www.universityofcalifornia.edu/blueandgold/welcome.html>

The Blue and Gold Plan guarantees that California residents whose families earn less than \$70,000 a year and who qualify for financial aid will pay no systemwide fees to attend a UC. At their November meeting, the Regents increased the family income limit to its new, higher level. Students with sufficient financial need also qualify for more grant aid, to further reduce their costs.

Paying for UC videos

<http://www.universityofcalifornia.edu/admissions/videos/payingforuc.html>

To help families navigate the financial aid process, UC has produced a series of videos to explain grants, loans and other tools for financing a UC education. Don't know what a FAFSA is? These videos explain the jargon in simple terms and the many types of financial aid available.

Systemwide News

UC ramps up advocacy campaign

The University of California is calling on all students, faculty, staff, alumni and friends to unite behind an aggressive push to make funding UC a state priority.

With the state 2010-11 budget cycle beginning in early January, UC is stepping up efforts now to let legislators and the governor know how critical their support is in preserving the university's

commitment to quality and student access.

The campaign seeks to build the ranks of the nearly 200,000 advocates who already have lent their support to UC. Through advertising in student publications and on Facebook, the university is encouraging people to sign up on the UC for California Web site and join a letter-writing campaign. No taxpayer funds are being used in the advertising. "While I appreciate the fiscal challenges that confront California, it must be made clear that UC is not a luxury," said UC President Mark G. Yudof. "It is an investment — the best investment this state can make in its future." At their November meeting, UC Regents voted on a 2010-11 budget proposal that asks the state for \$913 million more in funding. That amount includes money to restore core funding for UC's operations and to meet the state's funding obligation to employees in the UC Retirement Plan. The budget request also includes money to support more than 14,000 enrolled students for which the state currently provides no funding.

The dramatic slide in state support for higher education over the last two years is jeopardizing student opportunity and UC's ability to serve California. "The effects of the budget cuts are evident across the UC system from layoffs and pay cuts to fee increases and program reductions," Yudof said. "Given what's at stake, it is imperative that the state provide the \$900 million we are requesting to preserve access and quality for the people of California."

Since late summer, more than 26,000 UC advocates have written e-mails and letters to state legislators and the governor. Between now and January, when Gov. Arnold Schwarzenegger releases his state budget, UC supporters are being asked to make their voices heard by:

- Joining the UC for California network if they are not already a member
- Sending the governor an e-mail or letter asking the state to reinvest in higher education and support UC's budget request
- Asking friends and family to join the campaign

"It's time for us all to come together now," Yudof said. "If we do, we'll be a powerful force."

Commission on the Future to hold public forums

The UC Commission on the Future is seeking creative ideas from the University of California community and the public for sustaining the university's contributions to California in the context of chronic shortfalls in state funding.

Two public forums have been called by the commission to solicit the widest possible array of ideas for consideration as UC seeks ways of sustaining its quality and accessibility amid the unrelenting state budget pressures. Faculty, staff, students, parents, alumni, leaders of community and business groups, and members of the general public who care about the future of higher education are all invited to participate.

The forums, to be held Dec. 8 in San Francisco and Jan. 19 in San Diego, follow town hall meetings being held on all 10 UC campuses in November and December. Those town halls were called to provide information about the commission to members of the UC community and to solicit feedback on the early directions of its work.

"These public forums are another effort to engage Californians in a conversation about the future of their public research university," said UC President Mark Yudof, who joined Board of Regents Chairman Russell Gould in launching the commission earlier this year. "As the commission's working groups take shape, it is essential that we hear from all quarters about the things

Californians most need and value from the University of California - and that we also hear a broad spectrum of ideas about potential solutions to the fiscal challenge we face."

The commission's five working groups - which will focus on the size and shape of UC, education and curriculum, access and affordability, funding strategies, and research strategies - are composed of a wide spectrum of members drawn from the Regents, faculty, students, alumni, administration, staff, and other experts not affiliated with UC. Close consultation with the Academic Senate will be essential for commission recommendations pertaining to curriculum and other core faculty responsibilities.

The commission will be grappling with how to continue the university's legacy of promoting the public good - through its education, research, health care, and public service - when state resources that historically have funded a large share of the university's core activities continue to erode. The commission's web site contains summaries of many of the issues under preliminary consideration by the working groups.

Both public forums will be meetings of the full Commission on the Future. The Dec. 8 public forum will be held from 1:30 to 4:30 p.m. at the UCSF Mission Bay Community Center, 1675 Owens St., San Francisco. The Jan. 19 forum will be held at UC San Diego; the specific location will be available in January on the commission's web site: <http://ucfuture.universityofcalifornia.edu/>

Faculty and staff are invited to learn more about the commission and review background reading material at <http://ucfuture.universityofcalifornia.edu/publicforums/>

Seeking to restore funding cuts that have led to furloughs and fee increases, the University of California will advocate for a \$913 million increase in its allocation from the state as part of a budget plan for fiscal year 2010-11 approved Nov. 19 by the Board of Regents.

UC President Mark G. Yudof, speaking to the Regents, said that more than two-thirds of the additional money would help close a widening budget gap from deep cuts in state funding for the 2008-09 and 2009-10 fiscal years. The rest would cover additional mandatory costs that the state has left unfunded.

This year's state allocation to UC was lowered by 20 percent, to \$2.6 billion. Because the state is not funding increased costs for health benefits, utility costs, faculty merits, enrollment and other programs, UC is left with a budget gap that, without additional funding from the state, is projected to grow to at least \$1.2 billion for the 2010-11 fiscal year.

Yudof said UC is mounting an aggressive advocacy campaign in Sacramento and throughout the state, with 200,000 Californians already committed to urge the governor and legislators to approve the needed funding.

"Speaking with one voice in Sacramento, we will let our legislators know how vital the university is to California, and why it demands their support," Yudof said. "If ever there was a time to fight for and invest in the institution best positioned to power this state from recession, now is that time."

As part of the budget plan, the Regents approved Yudof's proposal that student fees be increased in two stages "to staunch the bleeding" - a mid-year fee increase for 2009-10, and another for the 2010-11 academic year. A third of the revenue from any fee increases will be set aside to provide financial aid for undergraduates and professional school students, while one-half will be set aside to help graduate academic students.

The Regents also approved an expansion of the Blue and Gold Opportunity Plan to ensure California undergraduates with financial need and family incomes of \$70,000 or below will have all systemwide fees covered.

Yudof said the budget plan would:

- Ensure access to a UC education for eligible California residents - regardless of their family income - while maintaining quality and stabilizing the university's fiscal health.
- Enable UC to end employee furlough salary reductions next summer.
- Allow the resumption of employer contributions to the UC retirement plan.
- Cover unfunded enrollments and halt enrollment reductions.
- Protect merit salary increases for faculty.

"The budget I have proposed will get us out of this hole and on to firm ground," Yudof said. "If these cuts continue, we will lose our world-class faculty, we won't be able to deliver the education students deserve, and the miracle that is UC will be diminished."

Noting that the University of California system now receives half as much support from state per student as it did in 1990, Yudof said: "When it comes to the university's core support, we have only two main sources - taxpayer dollars from the state and student fees. Even with deep administrative cuts, when one goes down, the other almost inevitably must go up."

In addition to cuts in the state allocation to UC for the previous fiscal year, state funding of core educational costs was reduced by \$637.1 million for the university's 2009-10 fiscal year, a 20 percent drop from \$3.25 billion to \$2.6 billion.

Beyond fee increases, a variety of other measures have been taken at the systemwide level to balance the UC budget, including a one-year emergency furlough plan for faculty and staff that took effect Sept. 1 and is expected to generate \$184 million in savings; a systemwide salary freeze for members of the senior management group that has been in place for the past two years; continued downsizing and restructuring of UC Office of the President that, so far, has yielded more than \$60 million in savings; as well as debt restructuring, reductions in freshmen enrollment, and other campus-wide initiatives such as energy savings and centralized procurement strategies.

In addition to these systemwide actions, campuses are instituting a wide variety of cost-saving measures, including consolidating and eliminating programs, reducing hiring - despite continuing increases in enrollment - layoffs and significant curtailment of travel and other purchases.

Despite these actions, the severity of the state budget cuts and the rapidity with which UC campuses have been forced to absorb them are threatening the basic quality of the education being provided to UC's students.

For example, faculty hiring has dramatically slowed and is not keeping up with enrollment demand; course sections have been eliminated; hours of service are being shortened for many programs of importance to students, staff positions are being eliminated and vacancies frozen. In addition, it is feared that the continuing fiscal crisis may induce faculty to leave UC for institutions in states that are beginning to recover economically.

Specifically, campuses report they are in the process of reducing instructional budgets by \$139 million, laying off 1,900 employees, eliminating 3,800 positions, and deferring hiring of nearly

1,600 positions, most of them faculty.

"This is not a sustainable pattern going forward," Yudof said. "We and all those who support the UC mission must advocate relentlessly in Sacramento for increased state funding. This funding is critical if the University is to continue serving Californians with superior educational, research and medical facilities."

Yudof said he recognizes the fiscal challenges the state government still faces - given a deficit already projected to reach \$7 billion to \$8 billion for 2010-11 - but nonetheless feels compelled to submit a UC budget request that truly reflects the needs and priorities of the university.

Report illustrates decline in UC Retirement Plan; need for contributions

The most recent valuation of UC's retirement plan shows a decline in its funded status, according to report presented Nov. 18 to the Board of Regents.

The retirement plan, or UCRP, has seen a drop in funded status as a result of last year's downturn in the stock market. The situation has been compounded by the annual growth in UC's retirement plan liability, and a lack of contributions to the fund from UC and its employees.

An independent actuary found that UCRP's funded ratio was 95 percent as of July, 2009, according to the report. That's in contrast to 2008, when the funded percentage was about 103 percent. The Plan has not been underfunded since 1986.

The report underscores the need to re-start contributions to the UCRP, said Gary Schlimgen, UC's director of pension & retirement programs policy. All UC employer funding sources and its employees are scheduled to resume paying into the pension plan in April, 2010 for the first time in 20 years.

"Re-starting contributions will help us sustain and preserve benefits, and it will allow us to allocate the cost of the UCRP to the funding source," Schlimgen said.

Roughly two-thirds of active UCRP members have salaries that are paid by contracts and grants, the medical centers, or other self-supporting enterprises. The re-start of contributions will allow UC to capture UCRP funding from those non-state sources.

President Yudof earlier this year established the Post-Employment Benefits Task Force to analyze policy and benefits design alternatives with the goal of making UCRP and retiree health programs financially sustainable.

The task force has been visiting all UC locations this fall to talk with faculty, staff and retirees about the financial picture and to seek input on possible changes to the current policies and programs.

They also want members of the University community to know that the Task Force's mission is to ensure that when employees retire, their pension benefits will be there.

"We can say definitively that pension benefits that current employees already have accrued cannot be touched," Schlimgen said. "Current retirees have already completely earned and accrued their pension benefits. And of course, they will not be asked to contribute to UCRP."

The Task Force's mission is to preserve UC's competitive benefits - which have been an important tool for recruiting and retaining faculty and staff - while ensuring that post-employment benefits for current and future retirees become financially sustainable.

The Task Force will make its recommendations to the President sometime next summer.

To that end, the local forums are aimed at asking members of the University community about their issues, concerns and questions to learn more about how different constituencies could be affected

As it now stands, UC will begin paying 4 percent of payroll into UCRP next spring, while most employees will have the 2 percent of their pay currently going into the Defined Contribution Plan redirected to UCRP. As a result, employees will see no reduction in net take-home pay during the first 15 months of contributions. Contributions from union-represented employees are subject to collective bargaining.

UC expects to follow a long-term approach that is consistent with CalPERS, the retirement program for state employees, in which the state and workers share in the cost of funding retiree benefits. Currently, for most state employees the employer contribution rate is 16.9 percent and the employee contribution rate is 5 percent. These contribution rates apply to CSU faculty and staff who are members of CalPERS. Under the CalPERS model, UC (from all funding sources) and its employees may ultimately pay something like 12% and 5% respectively toward the cost of funding UCRP benefits. To just meet the annual growth in liability for active members earning an additional year of service, UC and its employees would need to funnel about 17 percent of annual pay into the UCRP. Plan liabilities grow by this "Normal Cost" of \$1.3 billion a year, every year.

"Significant funding is needed, and it's going to affect everyone - from the campuses and departments to individuals," Schlimgen said.

The retiree health program is an area of particular concern for the Post-Employment Benefits Task Force. Unlike the UCRP, the retiree health program has no assets - UC meets its obligations each year with money from operating revenue.

UC's pay-as-you-go cash costs for the retiree health program are projected to increase from \$225 million per year in 2010 to \$416 million per year by 2013.

The overall liability is an unsustainable rate of growth that could eventually affect UC's good credit rating and impact its operating budgets and ability to borrow, Schlimgen said. As a result the premiums paid by retirees will likely go up.

Beginning in 2010, UC is changing its average contribution for retiree health care premiums to more closely align with its contribution for active employees. UC has been paying roughly 92 percent of health care premiums for retirees and 88 percent for active employees. In 2010, UC's contribution for retiree health care premiums will average 89 percent, and UC will be paying \$25 million more in calendar year 2010 vs. 2009.

"As with active employees, premiums are increasing largely due to health care cost inflation," Schlimgen said.

Although it won't solve the entire problem, one of the clear goals already on the table is to press California lawmakers to begin shouldering some of UC's pension costs. UC leaders will ask the state for \$96 million in the coming fiscal year for UCRP.

California helps fund the pension benefits for employees in the California State University system and for the California Community College system, but gives nothing to UC. Partly that's an outgrowth of the fact that for so long, UCRP had more than enough money to meet its obligations

In 2001, UCRP was funded at 149 percent. Today, that figure is less than 100 percent. By 2013, even with the restart of contributions, the funded status is estimated at just 61 percent unless funding is made at a higher level.

Clearly, it's time for Sacramento to treat UC the same way it treats CSU and the Community College System, Schlimgen said.

"The state continues to support the defined benefit plans of Cal State and community college employees. We need them to step up to the plate and help support UCRP."

More Systemwide News

Independent review lauds compensation policy changes

<http://www.universityofcalifornia.edu/news/article/22396>

Paul Alivisatos appointed director of Lawrence Berkeley Lab

<http://www.universityofcalifornia.edu/news/article/22423>

UC Health runs biggest U.S. medical training program

<http://www.universityofcalifornia.edu/news/article/22394>

Battling California's Alzheimer's crisis

<http://www.universityofcalifornia.edu/youruniversity/alzheimers.html>

Active Desk Aims to Get Workers Up and Moving

<http://ucsdnews.ucsd.edu/newsrel/general/11-09ActiveDesk.asp>

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Ask It!

Q: Do toilet seat covers really protect us from anything or are they a waste of paper?

A: It is very unlikely to catch diseases from toilet seats. Whatever germs are on the toilet seat surface are very unlikely to infect or contaminate the thigh or buttock skin and sexually transmitted infections are just that -- sexually transmitted and not transmitted from toilet seats.

Therefore, toilet seats covers are really only offering some peace of mind when one is using a visibly dirty toilet.

I should note that a University of Arizona microbiology team tested a dozen office surfaces including the bathroom. The scientists found that phone receivers had 25,000 bacteria per square inch, while toilet seats had only 49 bacteria per square inch.

So there are areas to be more concerned about catching germs from than toilet seats.

(Read more about the University of Arizona study:

<http://www.abc.net.au/science/articles/2004/07/01/1143577.htm?site=science/gre>

Dr. Robert Kim-Farley, MD, MPH, Professor of Epidemiology and Community Health Sciences, School of Public Health at UCLA; Director, Communicable Disease Control and Prevention, Los Angeles County Public Health.

HR Briefs

UC campuses win awards for commitment to faculty and staff wellness

Three UC campuses received 2009 California Fit Business Awards, given by the California Task Force on Youth and Workplace Wellness, for promoting employee health and a healthier workplace.

UC Berkeley and UC Santa Cruz received Silver awards and UCLA's Department of Cultural and Recreational Affairs received a Bronze award for programs and services in four key areas: eating better, moving more, promoting healthy lifestyles and creating a healthy culture.

"It is an honor to receive this silver award on behalf of the University and our campus partners," said Trish Ratto, manager of Health*Matters at UC Berkeley. "This is particularly special as 2009 is the 20th anniversary of Berkeley's wellness program for faculty and staff."

Health*Matters strives to provide faculty and staff with skills for leading a healthy lifestyle and to foster a healthy workplace culture. Tapping into faculty expertise and partnering with multiple campus services, Health*Matters recently launched the Eat Well Berkeley initiative leading to the UC Berkeley Guide to Healthy Meetings and Events, healthier vending snack choices and nutrition guidelines for catering vendors. Several other UC campuses are beginning to implement their own healthy meeting guidelines, using Berkeley's resources as a model.

UC Santa Cruz also was recognized with a silver award. UCSC's employee wellness program began in February 2008 and is funded by the UCOP initiative Be Smart About Safety. By emphasizing "wellness anywhere," the program provides enjoyable opportunities for faculty, staff, and retirees to adopt healthy lifelong practices, whether at work or at home.

"I am so proud of our employees for fully embracing this program," said Lizzie Yasser, employee wellness coordinator at UC Santa Cruz. "It's been really rewarding to see them make positive lifestyle changes that not only improve their health, but also bring even more fun and happiness to their work."

For the second year in a row, UCLA was the recipient of a bronze award for its innovative activation of employee fitness and wellness programs through UCLA Recreation FITWELL. "We are extremely honored to have received the Cal Fit Business Award in both 2008 and 2009. This recognition brings great visibility and credibility to our work" said Mick Deluca, director, Department of Cultural and Recreational Affairs.

With the support of the campus administration and UCOP initiatives, UCLA Recreation has activated mobile Fit Squads, FitWell Edu educational tracks, Fit Parks, and drop-in Fit Sports throughout the campus bringing fitness and wellness opportunities to all levels of employees.

Recognizing the value of a fit and healthy workplace to organizations and workers alike, the California Task Force on Youth and Workplace Wellness honored more than 70 employers with the 2009 Fit Business Awards. State Senator Alex Padilla presented each award winner with a trophy and certificate of recognition in a ceremony held in Sacramento.

403(b)/457(b) contribution limits unchanged for 2010

http://atyourservice.ucop.edu/news/retirement/0910_contribution_nochange.html

Sign up now for electronic W-2

<http://atyourservice.ucop.edu/news/general/0911-electronicw2.html>

HR TIP OF THE MONTH

Open Enrollment ends at 5 p.m. Tuesday, November 24

http://atyourservice.ucop.edu/news/general/0911_oe_reminder_e.html