

Draft Minutes from CUCEA Meeting, April 28, 2010
UC Santa Barbara

Attending:

CUCEA Officers: Charles Hess (D) Chair; Colin Bloor (SD) Chair-elect; Charles Berst (LA) Past Chair; Dericksen Brinkerhoff (R) Past Chair/EA President/Alternate Rep; Marjorie Caserio (SD) Web Manager; Ralph Johnson (LA) Archivist; Lyman Porter (I) Treasurer; Louise Taylor (B) Past Chair/ Information Officer.

Representatives: Bill Ashby (SB); Richard Attiyeh (SD); Lewis Cohen (R); Barbara Hamkalo (I)/EA President; Jackie Hanson (SD)/EA President; Dorothy Rice (SF); Paul Sheats (LA)/EA President; Michael Warren (SC).

EA Presidents: Alex McCalla (D); Doug Morgan (SB).

Center Directors: Patrick Cullinane (B); Debra Martin (SB); Jeri Frederick (I); Eddie Murphy (LA).

CUCRA Chair: Marian Gade (B).

JBC Chair: Adrian Harris (LA)

The meeting, chaired by Charley Hess, began at 1:15 p.m. with a welcome from our host, Doug Morgan. He described the donations to the campus from the Mosher Foundation and the Henleys, who endowed the attractive Boardroom in which we were meeting.

Charley asked that we go around the table and introduce ourselves, and then called for any corrections to the minutes.

Minutes: Paul Sheats asked that his name be added as attending the October meeting, and Lyman Porter asked that the words in the first sentence following “CUCEA funds” be struck and replaced with “income is in balance with expenditures.” He further asked that the last sentence be deleted. With these corrections the Minutes were approved.

Officers Reports:

Chair: Charley Hess explained that the tempo of deliberations by the President’s Task Force on Post-Employment Benefits have picked up dramatically. At the time of last fall’s CUCEA meeting, the Task Force was in the beginning of the first round of campus forums to present the background issues that resulted in the establishment of the Task Force. At this time the Task Force is near the end of the spring round of campus forums to provide an update of the activities and to share the range of recommendations being considered by the Task Force Work Groups.

At the beginning, emphasis was on saving funds; however, as the Task Force has moved closer to making its recommendations, there is a much more balanced approach to finding a way to maintain benefits without jeopardizing the quality of the faculty and staff. The Task Force’s goal is to have the Executive Summary and recommendations to the President by the end of June. Key issues being considered by the Retiree Health Work Group include:

- New employees' eligibility for retiree health would be moved from 50 years of age to 55. At 50, the retiree would receive health benefits, but no UC contributions toward these costs. UC contributions would begin at 56, starting with a 10% UC contribution, increasing by 10% each year to 100% at the age of 65.
- Length of service requirements for health benefits was originally 5 years of service, but was changed in 1990 to 50% at 10 years, with 10% increments per year until the retiree reached 20 years of service to earn full UC contributions. This is not proposed to be changed.
- Current age and service eligibility rules should remain for current employees so as not to scare folks out of the system. (Grandfathering) About 45% of current employees who have age and service credit of 50 and at least 5 years of service would fall into this group. Adrian commented that those at age 50 could retire with no service; it seemed to him that this needs more work.
- University contributions to retiree health benefits averaged 92% in 2009 and dropped to 89% in 2010. It is proposed that there be a 3% per year decrease in University contributions to retiree premiums until UC funding reaches a 70% floor.
- There are two groups without Medicare: (a) those who retired before age 65, and (b) those without Medicare who are over 65. The first group's premiums have been "blended" in order to reduce the cost of health insurance for them; this policy is proposed to be continued. There are 1588 retirees currently in the second group and their premiums are proposed to be the same as active employees.
- Still under consideration is the issue of pre-funding the retiree health costs, and whether pension obligation bonds would be the way to go as recommended by the Task Force on Investments and Retirement (TFIR) for the UC Retirement System. An alternative would be to increase the annuitant health care fee, currently equivalent to 3.1% of active employee salaries to a higher percentage.

The monthly meetings of UCFW are very involved in deliberations about the Post-Employment Benefits Task Force activities. In particular, TFIR, a sub-committee of UCFW has made major contributions. As an example Helen Henry (R), Bob Anderson (B) and Jim Chalfant (D) made a presentation to UCFW and President Yudof for about one hour concerning pension obligation bonds. Subsequently, Yudof met with Dianne Feinstein to explore tax-free pension obligation bonds.

The Senate does not agree with all the proposals of the Task Force. The Chairs of the Senate and Faculty Welfare plan to talk to Senate Divisions. This will provide another opportunity for faculty and emeriti to share concerns with the Academic Senate. It was promised that the President and The Regents would consider Senate concerns.

There are counterpoints to the idea of pension obligation bonds: (1) If there is unfunded liability, which goes on the books and keeps growing, it diminishes UC's ability to borrow. (2) The 2010 unfunded liability for the pension system is \$39 billion, and by 2010 it is estimated to be \$49.2 billion which could cause UC's bond rating to fall. (3) A slow ramp-up of contributions is felt not to be in the best interests of UC. (4) Since faculty and staff are on furlough, UC should not be developing new schools or constructing new buildings at this time. Therefore, it could be possible to use part of the \$6 billion unused borrowing capacity of the University to sell pension obligation bonds to reduce the unfunded liability of UCRS.

Adrian commented that GASB merely asks that the problem be identified and the order of magnitude reflected; it need not be funded. Charley suggested that Adrian should talk to Robert Anderson, economist at UCB, who presented the concept of the pension obligation bonds to President Yudof. Paul Sheats mentioned that the UCLA Faculty Association recently met with the Legislative Analyst who **advised them that annual expenses should be given priority over unfunded liability in their presentation to the State**^[1] ~~said they should not worry about unfunded liability.~~

On a slightly different topic, Charley explained that last year, budget language was slipped into the budget bill stating that the Legislature should not be responsible for funding University retirement. There are no legal requirements for the State to support UC retirement; funds were provided until 1990 when contributions were halted. There may be a bit of softening of this view, but it will not be done this year. It is argued that the State provides funding for retirement for all other State funded employees; therefore UC should also be eligible. \$1.5 billion is paid from UC to retirees annually. [As Randy Scott would say at this point pensions are vested, health benefits are not.]

Charley also mentioned that there had been a proposal for a new UCRP Advisory Board. Senator Yee tried last year to change the make up of the Board, but it didn't get out of committee. After that AFSCME got a ballot initiative approved to get a new Advisory Board. However, they haven't taken it further. In the meantime, UC has under development a revised Board and the President asked CUCEA and CUCRA chairs to be full members of the Board. The union coalition has not as yet accepted the proposed structure of the new Board. UCFW has urged the University to move ahead with the establishment of the new Board. However, it was announced at the last UCRS Advisory Board meeting that the current Board will continue for the next year.

Eddie Murphy thanked Charley for his briefing, and all agreed it was excellent. (A copy of the Chair's written report is attached – Attachment 1.)

Secretary: absent

Treasurer: Lyman Porter distributed a report of CUCEA's net worth as of 3/31/10, showing no liabilities and assets of \$27,193.41, which does not include any dues payments. The Dues Payment Schedule, as of 4/26/10, was listed on the reverse side, showing that 4 campuses had paid and 5 had not (UCB, UCI, UCLA, UCR, and UCSF).

Information Officer: Louise Taylor again thanked Charley for relieving her of some responsibilities. She cited the CUCEA Bylaws reflecting the duties of the Information Officer and admitted to dereliction of duties in several respects, which she would attempt to rectify at this time. She requested that:

- CUCEA Officers send pertinent materials to the Archivist;
- EA Presidents send her (a) a list of the new 2010-11 President, CUCEA Rep and Alternate [name, email address and phone number] as soon as these have been approved, and (b) items or issues which might be of interest to other associations for dissemination to campuses and possibly the web site; and
- Everyone send her and/or Marjorie Caserio pictures of your campus or other beneficial tidbits for the web site.

Web Manager: Marjorie Caserio thanked people for sending her information. She provided the web address [<http://cucea.ucsd.edu/>], which can also be “googled”. She suggested it would be helpful to receive news from the Emeriti Associations and that the Archivist should be included. She tries to glean from campus reports the various award recipients and encouraged campuses to include this information in their reports. The Bio-bib is now out and she will glean editorial bits to include on the web.

Action Item: Chuck Berst to send Marjorie an electronic copy of the Bio-bib report. There was some discussion about adding the names of the officers of each campus Emeriti Association to the web.

Action Item: Campus web addresses should be added to CUCEA’s “Directory of Members” linking to campus web sites where this information should be made available.

Jackie Hanson suggested that pictures of emeriti “in action” should appear on the web site and possibly on local web sites. This provides a means of showing how emeriti are still contributing to the University.

Archivist: Ralph Johnson mentioned Norah Jones’ passing, and her importance to CUCEA and to him personally. He distributed an In Memoriam. Charley read a statement from John Craig suggesting a moment of silence after describing her many attributes.

Ralph announced that Mo Greenfield’s wife passed away recently. He also informed CUCEA members that he receives a lot of electronic copies, which he adds to the Archives. They are not printed on archival. Since Minutes of the CUCEA meetings are on the web, he proposed that he not create these minutes on archival paper. He will have a new Guide to the Archives for the next meeting. He also has a folder on biographical information, but would like more biographical information.

Action Item: By consent, In Memoriam statements on Norah Jones from Ralph Johnson and John Craig to be posted on the web. Others suggested that the In Memoriam statement for Ralph Nair, which was received by CUCEA a number of years ago, also be included.

Bio-Bib Survey: Chuck Berst distributed copies of the “UC Emeriti Biobibliographic Survey - 2007-2009” and suggested that campuses could take about 5 copies with them. He recommended distributing them to the Chancellor, Executive Vic Chancellor, Vice Chancellor for Finance, and the Chairs of the Senate and Faculty Welfare. He announced that there were more than one thousand responses, or 33% of the emeriti this year. As mentioned in the report, most academics don’t stop at retirement; they keep going and most services are *pro bono*. Chuck plans to write a short 8-page abstract with introduction and summary data to be put on line.

Chuck felt it was a good idea to do electronic copies and printed copies of the survey for best results. He found it interesting that Berkeley had an even split between the two forms, where UCLA received 19 on line and 302 by mail.

He is working with Charley and considering whether copies should be sent to the Commission on the Future. However, it is difficult to catch people’s attention.

Action Item: Charley also mentioned that President Yudof should receive a copy.

Patrick Cullinane suggested that it might be useful to mention the amount emeriti contribute to the campus at the same time the report is distributed. At Berkeley, \$20 million has been contributed over the last 4 years.

Marjorie asked how the document is funded. Chuck has a bill for CUCEA; however, UCLA was fortunate to have a highly qualified tech retiree from Hughes and she found a good, inexpensive online survey website.

Praise and appreciation were given to Chuck for his excellent work each year on this important subject.

Panunzio Award Representation: For the last two years, Dericksen has represented CUCEA in the review of nominations for the Panunzio award. He suggested that it might be helpful to the review committee if one or two past Panunzio winners were to participate in the review. Although some winners are not members of their Emeriti Association, this should not present a problem. Paul has been involved in the awards and he thinks this is a great idea. Colin wondered since the award focused on the humanities and social sciences, whether the CUCEA rep should be from one of these fields. Dericksen felt that was not necessary; as he explained, the Dean of the Graduate Division, the Deans of the Social Sciences and Humanities, the President of the UCLA EA, and the CUCEA rep participate, three of whom may not be from the award field.

Action Item: Eddie Murphy to forward the Panunzio announcement to Dericksen and Marjorie when they are received.

Action Item: Charley suggested that it would be Colin's responsibility next spring to appoint the CUCEA rep.

Questions were raised as to how travel expenses would be covered for the Panunzio Awardee(s) if they became a part of the review. Adrian suggested that it would be a legitimate expense from the Panunzio fund.

Action Item: Colin, Paul and Dericksen to raise with the committee adding one of the previous awardees and how to fund this.

Election of Officers: Louise explained that Council Officers are to be elected or confirmed yearly and include the Chair, Chair-elect, Secretary, Treasurer, Information Officer, Web Manager, Historian and Archivist, the last six of whom agreed to continue. The Nominating Committee, which included Marjory, Dick Walters, John Craig, Ralph Johnson and Louise as Chair, recommended:

- Colin Bloor (SD) Chair 2010-11
- Ernest Newbrun (SF) Chair-Elect 2010-11

Their recommendations were unanimously approved with great enthusiasm.

Charley presented the CUCEA Plaque and Gavel to Colin, and Colin, on behalf of the Council, presented Charley with a desk clock with a plaque, which read:

CUCEA Chair Charley Hess 2008-2010

In appreciation for outstanding leadership in
Protecting the rights and privileges of all UC Emeriti

Colin added: If only our Congress could reach consensus like this in a cooperative manner of civility.

As his first order of business, Colin informed the Council that Errol Mauchlan was stepping down from the Joint Benefits Committee and Colin was appointing Charley as CUCEA's new representative.

Campus Reports:

Berkeley: Louise gave Errol Mauchlan's report explaining that the Executive Committee determined it necessary to apply for non-profit status as a California corporation (501(c)7). Against Louise's better judgment, the EC asked the campus attorney about the Associations' legal status and its liability. This was referred to campus Risk Management and the UC policy on liability was sent back to the EC showing that the Association was not covered.

Action Item: At this point, Eddie Murphy promised that she would send a copy of UCLA's response, which is now expected in May.

Louise went on to give the titles of Berkeley's 5 luncheon talks to show the diversity of topics covered this year.

Davis: Alex described how the Chancellor's Banquet has been reinstated as a luncheon due to the budget. Over 300 emeriti and their spouses met with the new Chancellor, Linda Katehi, and heard her vision for the campus.

The EA and Retirees now issue a tri-annual, joint newsletter, as they want to maintain independence from the Center and Administration. They have also joined forces in several social events and have found a strong appetite for cultural missions. They sponsored two day-trips to the King Tut exhibit in San Francisco and to Golden Gate Park. Their total membership is up to 404.

Irvine: Barbara provided a summary of the Retiree and Emeriti Center and emphasized a couple of activities. They co-sponsored the retiree and emeriti Chancellor's Reception, which has recently included an art exhibit of one type or another. They held seven lecture sessions and a couple of field trips. They had six nominees for the Dickson award and sent two to the Chancellor. They will be holding their annual golf tournament in June, and they co-sponsor the "Healthy to 100 & Beyond" lecture series.

Los Angeles: Paul announced a very successful February dinner program both for culinary excellence and a fine lecture by James Louie, M.D. on "Renoir: His Art and His Arthritis," which coincided with an exhibit of late Renoir at the LA County Museum. They made 4 Dickson awards, and will hold a very popular Arts and Craft show of 30 Emeritae/i artists.

The Association is looking for a new academic title, such as "Research Professor" for emeriti. The title would be reserved for emeriti applying for research grants. UCI, UCSC, UCSB and UCSD announced that they have similar titles.

Riverside: Dericksen announced that the EA now must approach the Chancellor through channels, using the Alumni and Constituent Relations Assistant Vice Chancellor who goes to Chancellor's meetings and is a vigorous supporter of retirees and emeriti. However, the EA is not happy about this and is looking for a way back into direct communication with the Chancellor. Last fall, the Chancellor had no funds for the fall dinner, which normally honors the Emeriti of the Year. Therefore, this spring the Emeriti of the Year will be honored at the Chancellor's Reception for those folks who are about to retire. New emeriti are automatically enrolled in the EA their first year after retirement at no cost. Riverside now has coordinated dues between the retirees and the emeriti. Almost one-third of retirees are emeriti, but not all are members of the Emeriti Association.

San Diego: Dick Attiyeh reported that membership in the EA continues to grow and now has 460 active members. This year, emeriti members are mentoring 57 undergraduates in the Chancellor's Scholars Program, all of whom are the first in their families to attend college. A new "Emeriti Health Care Committee" serves as an information resource and organizes special programs for emeriti. The Healthcare Facilitator spoke recently about the services this program provides. A joint group of retirees and emeriti are working on developing housing on campus or near by, having been inspired by UCLA.

San Francisco: Dorothy expressed her great pleasure at Erni Newbrun's nomination as Chair-Elect and said he has been a wonderful EA President. Erni, Dorothy and the EA President-elect met recently with Chancellor Susan Desmond-Hellmann to request that action be taken on the Dickson award as a great deal of money had built up. As a result, there will be sufficient funds for 4 awards, if enough folks apply. The EA is also concerned about getting new, younger members. The Chancellor will host a reception for all retiring faculty, and the EA will make a pitch at that time.

Santa Barbara: Bill reported that much of the year has been spent on renewing the Board. It was overbalanced in the humanities and social sciences. With three new members, they now have some scientists. The luncheon participation has been disappointing, with dwindling numbers. This may be part of the problem of getting younger emeriti engaged.

Charley mentioned that they were having a similar experience at Davis with their University (Faculty) Club. They couldn't get younger faculty involved. There appears to be a change in attitude about joining organizations.

Dericksen commented that UCR reviewed all kinds of clubs across the nation. Due to distractions, all clubs are experiencing declining memberships. He wondered what kind of carrot we might extend.

Jackie mentioned a book "Bowling Alone," in which the author uses the disappearance of bowling teams across the nation as a metaphor for widespread disengagement from community groups and civic life. She felt emeriti continue to be active until on average about age 76, whereas librarians typically often opt to retire by age 60. Other academics, aside from emeriti, tend to be younger as well when they disengage.

It was Patrick's opinion that younger generations want to be engaged, but on their own terms, and they are not interested in joining clubs. Eddie thought personal outreach was the only thing that works to bring folks into organizations.

Potential Action Item: Charley thought this was an important topic that might be brought up later.

Santa Cruz: Michael reported that current and surviving spouses and partners of members may now become associate members of the EA. The EA is having problems with administrative committees (for instance, campus parking) that, in their ignorance of campus history, propose changes to benefits granted to emeriti by the Chancellor, and which only the Chancellor may change.

Charley announced that many of the campuses are having difficulty getting accurate lists of emeriti members. At noon on Thursday, Joe Lewis will meet with Dericksen, Louise and

possibly Marian to discuss these issues. Dericksen advised that he would like to ask Lew to participate as he has investigated problems at Riverside. Lew mentioned that part of the problem is getting data that does not violate confidentiality, how to query the database, how to put the data into a more useable form such as an excel spreadsheet.

Marjorie asked about the status of Merced.

Possible Action Item: Charley suggested that Colin might wish to look into Merced to see if they wish to send a representative to CUCEA even if they do not have an EA formed as yet.

Dericksen queried the ability of campuses to appoint emeriti *pro bono*. Several folks suggested a “By Agreement” appointment works.

The meeting was adjourned at 4:00 p.m. (?)

Respectfully Submitted,
Louise Taylor, Acting CUCEA Secretary

Addendum to Minutes:

Subject: Research Professor Title (page 7 above)

Paul Sheats sent a note around after the meeting:

“May I ask, now that we are back on our home grounds, if you could send me a brief description of the title you use, and the requirements thereof? We would especially appreciate knowing whether the title is conferred by your Academic Senate or Administration, for how many years, and whether it depends on the holder’s active status—i.e. being on recall. This will help us in our own efforts, late though they be”.

[Secretary’s note: See the Academic Personnel

Manual: <http://www.ucop.edu/acadadv/acadpers/apm/welcome.html> for title and title codes in the UC system. There are:

- Research Professor Title Code 1707, and
- Research Professor – VERIP Title Code 1708]

Subject: Appoint emeriti *pro bono* (page 8 above)

[Secretary’s note: See the Academic Personnel

Manual: <http://www.ucop.edu/acadadv/acadpers/apm/welcome.html> for title and title codes in the UC system. There are:

- --- Emeritus (WOS)* Title Code 3800
- ---- in the AES Recalled Title Code 3006
- Professor Emeritus (W/O Sal) Title Code 1132

* WOS, W/O - without salary]

Subject: Meeting with Joe Lewis on Thursday (page 8 above)

Dericksen, Lew and Louise met with Joe. It was decided that as a first step, Joe would send us a list of all reports generated by UCOP that could pertain to retirees, their data elements, and the Offices receiving each report. It will then be up to CUCEA, working with the campuses, to determine what is needed and to suggest how confidentiality would be maintained.

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Attachment 1

CUCEA Chair's Report

April 28, 2010

UC Santa Barbara

Since our fall meeting at UCSF, the tempo of the deliberation by the President's Task Force on Post-Employment Benefits has picked up dramatically. At the time of last fall's meeting we were in the beginning of the first round of campus forums to present the background issues that resulted in the establishment of the Task Force to develop a comprehensive, long-term approach to the University's obligations for post-employment benefits. At this point we are near the end of the spring round of campus forums to provide an update of the Task Force activities and to share the range of recommendations being considered by the Task Force Work Groups.

Marian Glade, chair of CUCEA, and I were each asked to serve on the Task Force. Marian is a member of the Pension Work Group and I am a member of the Retiree Health Work Group. When Larry Pitts was appointed Interim Provost, Larry asked me to replace him as the Team Lead of the Retiree Health Work Group and to serve on the Steering Committee that reviews the recommendations coming from the three work groups and will submit them to President Yudof at the end of June. Larry Pitts is now Provost and chairs the Steering Committee. In addition to the Pension and Retiree Health Work Groups, there is the Finance Work Group. Peter Taylor, Chief Financial Officer is the Team Lead of Finance Work Group and also serves on the Steering Committee.

Tomorrow, Randy Scott and Gary Schlinggen will give a presentation at tomorrow's joint CUCEA/CUCRA meeting which is very similar to the information being presented in the campus Forums. I would like to share with you some of the key issues currently being considered by the Retiree Health Work Group. The following are not recommendations as yet. They will be considered by the Steering Committee which will then submit its recommendations to President Yudof who decide what he will take to the Regents.

I. For new employees, the eligibility age may be increased from 50 to 55. If an employee retires between 50-55, he or she would have access to university health insurance but would not have a university contribution to the premium. From 55 to 65 the eligibility would increase by 10% per year reaching 100% age eligibility at 65.

II. Length of service unchanged. Currently an employee has 50% eligibility after 10 years of service and reaches 100% after 20 years.

III. Grandfathering – Current employees with Age + Service equal to or greater than 50 plus at least 5 years of service could retire under current eligibility rules.
Covers 46% of current employees (52,000).

IV. University contributions would be reduced from the current average of 89% to 70% at the rate of 3%/year. The 70% floor would be reached by 2017. In the current year, the University contribution was reduced from an average of 92% to 89%.

V. Retirees below the age of 65 and therefore not eligible for Medicare would continue to have blended premiums. (Blending the cost of non-Medicare employees and active employees) There are 9,259 retirees in this group or 29%.

VI. Retirees over the age of 65 and without Social Security and therefore without Medicare will have premiums comparable to active employees. There are currently 1,588 retirees in this group or 5%. (Sixty-six percent of retirees have Medicare. N= 21,410.)

VII. The Retiree Health Work Team will continue to explore prefunding.

The University Committee on Faculty Welfare has been very involved in discussion of the Post Employment Benefits and the Task Force on Investments and Retirement (TFRI), a subcommittee of the UCFW has made substantial contributions to the Task Force deliberations. TFIR presented the concept of Pension Obligation Bonds to President Yudof at a UCFW meeting as one approach to help reduce the unfunded liability of the UC Retirement Plan more quickly than the slow ramp up proposed by the Regents. President Yudof was receptive to the idea and even contacted Senator Feinstein to explore the possibility of establishing tax free bonds. The Academic Senate leadership, Harry Powell from UCSD and Dan Simmons from UCD have facilitated a broad base of consultation with the University Office of the President and the UCFW, the Committee on Planning and Budget and the Senate Council. In addition to the campus forums, Harry and Dan will be meeting with Academic Senate members on each campus in May.

The UC Retirement System Advisory Board has met two times since our last meeting. A new Advisory Board has been under consideration to provide broader participation by represented employees. The new board would include the chairs of CUCEA and CUCRA as full members. These efforts were in part a response to activities by Senator Yee to create a restructured UCRS Board by the legislature and to a constitutional initiative sponsored by AFSCME. Negotiations with the unions have not been completed and so the current UCRS Advisory Board will continue in its present form next year. The UCRS Advisory Board also has reviewed the PEB Task Force activities and is requesting an opportunity for a thorough review, particularly of the pension benefits before the recommendations are submitted to the President. At the February 26th meeting the UCRS Advisory Board concurred with staff recommendations that retirees not longer be able to suspend Minimum Distribution Requirement if they return to UC Service regardless of the length or nature of the appointment. This removes

an incentive for emeriti to be recalled and your chair in consultation with Joint Benefits' Chair Adrian Harris has requested that this action be reconsidered.

Charles E. Hess
Chair, CUCEA

[\[1\]](#) Proposed by Paul Sheats, 5/19/10