Town Hall Budget Forum
August 14, 2009

Henry Yang
Chancellor

Gene Lucas
Executive Vice Chancellor

Joel Michaelsen
Chair
Academic Senate

Todd Lee
Assistant Chancellor
Budget and Planning

Cynthia Cronk
Director, Human Resources
Pay Reduction Program

• On July 16, Regents decided to implement a furlough plan for faculty and staff, for one year from September 1, 2009 to August 30, 2010:

<table>
<thead>
<tr>
<th>Annual Compensation</th>
<th>Staff &amp; NFA Furlough Days</th>
<th>Faculty Furlough Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;$40k</td>
<td>11</td>
<td>7</td>
</tr>
<tr>
<td>$40-$46k</td>
<td>13</td>
<td>9</td>
</tr>
<tr>
<td>$46k-$60k</td>
<td>16</td>
<td>10</td>
</tr>
<tr>
<td>$60k-$90k</td>
<td>18</td>
<td>12</td>
</tr>
<tr>
<td>$90k-$180k</td>
<td>21</td>
<td>14</td>
</tr>
<tr>
<td>$180k-$240k</td>
<td>24</td>
<td>15</td>
</tr>
<tr>
<td>&gt;$240k</td>
<td>26</td>
<td>17</td>
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Furloughs

• While being responsive to much feedback, the furlough plans were left unresolved and raised many questions
• Various contradictory and complementary proposals and suggestions have been raised by
  – Faculty groups
  – Academic Senate
  – Staff
Forum

• **Purpose of the forum today is to:**
  – List inventory of questions
  – Report some answers and outstanding issues
  – Promote discussion
  – Provide feedback to OP in preparation of UC guidelines
  – Help formulate a campus plan within these guidelines
Questions on Furloughs

• Common to staff and faculty:
  – Will there be “mandatory” furlough days for the whole system/campus?
  – Does the furlough plan apply only to state-funded employees? Full or partial funding?
  – Can furlough days be “pooled” and distributed equally among employees?
Questions on Furloughs

• Common to staff:
  – Can employees coordinate furlough days to effect office closures?
  – Can employees use furlough time for other employment? If so, can days be grouped to facilitate this?
  – How will furlough days coordinate with vacation and sick leave accrual?
Questions on Furloughs

• Common to Faculty
  – Can Furlough days be applied to teaching days?
  – Can Furlough days be added to 39 consulting day maximum
  – Can faculty buy-out Furlough days on contracts and grants?
Some Suggested Answers

• Will there be “mandatory” furlough days for the whole system/campus?
  – Total days limited by minimums (11 staff, 7-9 faculty)
  – Possibilities:

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec 21 (Mon)</td>
<td>Dec 28 (Mon)</td>
<td>Mar 23 (Tues)</td>
<td>Nov. 25 (Wed)</td>
<td>Nov 23 (Mon)</td>
<td></td>
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<tr>
<td>Dec 22 (Tues)</td>
<td>Dec 29 (Tues)</td>
<td>Mar 24 (Wed)</td>
<td>Feb 16 (Tues)</td>
<td>Nov 24 (Tues)</td>
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<tr>
<td>Dec 23 (Wed)</td>
<td>Dec 30 (Wed)</td>
<td>Mar 25 (Thurs)</td>
<td>Mar 29 (Mon)</td>
<td>Nov 25 (Wed)</td>
<td></td>
</tr>
</tbody>
</table>

*Instructional Days

* non-service days for faculty
Some Answers

• Does the furlough plan apply only to state-funded employees? Full or partial funding?
  – Employees on some restricted funds will be exempt:
    • Contract and Grant portions of salary
    • Gifts?
    • Recharge?
Some Answers

• Can employees coordinate furlough days to effect office closures?
  – We anticipate the flexibility to give offices this opportunity
  – It will be voluntary
  – Campus oversight will be required to ensure closure coordination

• Can employees use furlough time for other employment?
  – Yes, to the same extent they can use vacation days or weekend days

• If so can days be grouped to facilitate this?
  – Depends on campus/local office plans
Some Answers

• How will furlough days coordinate with vacation and sick leave accrual?
  – For employees accruing vacation and sick leave, furlough days will be another category to accrue and use like vacation days
  – Ability to use furlough in advance of accrual will be permitted if the campus decides on “mandatory” furlough days in excess of employee accruals
Some Answers

• Can furlough days be “pooled” and distributed equally among employees
  – Probably not:
    • The furlough plan was designed as a “reduction in time” instead of a pay cut to preserve base pay for benefits and contract and grant purposes
    • The furlough plan was graduated with salary in response to campus feedback
Some Answers

• Can Furlough days be added to 39 consulting day maximum?
  – No ruling on this yet, but likely to be permitted

• Can faculty buy-out Furlough days on contracts and grants?
  – No ruling on this yet, but likely to be permitted, providing contract/grant permits this and effort reporting can be accommodated
Some Answers

• Can Furlough days be applied to teaching days?
  – (At least) three schools of thought on this:
    • Absolutely not: students should not suffer reduced teaching when fees are going up
    • Absolutely: make pain visible to public
    • Some reduced “lectern time” in combination with academic engagement of students
      – Coordinated across campus
      – Individual faculty choices – but syllabus approved by department chair
Academic Senate Survey of Faculty Furlough Preferences

Aug. 6, 2009 – Aug. 12, 2009
Furloughs on Instructional Days

- Academic Council recommendation to President Yudof
  - Mandate furloughs on six instructional days
  - Direct campuses to submit implementation plans for approval
  - Don’t know final decision yet, but assume he accepts recommendations and gives campuses flexibility on implementation
Implementation Options

- Faculty asked to register preference between two possible implementation plans
  - Option A: Faculty choose when to schedule instructional furlough days
    - Gives faculty maximum flexibility, but limits visibility of furlough impacts
  - Option B: Common set of instructional furlough days established campuswide
    - Potential to highlight furlough impacts, but limits faculty choice

- Also asked to provide comments
Survey Results

• High response rate
  – 477/843 Non-emeriti Senate faculty = 56.2%
  – 30 pages of comments

• Preference evenly divided
  – Option A: 228/477 = 47.8%
  – Option B: 215/477 = 45.1%
  – No preference: 34/477 = 7.1%

• Working on evaluating and summarizing comments
Discussion