



Communication from the Committee on Faculty Welfare

Jacque Duncan, Chair

May 15, 2009

David Gardner, MD
Chair, UCSF Academic Senate
500 Parnassus Avenue, Box 0764

Re: Review of the *Furlough and Salary Cut Proposed Policies*

Dear Chair Gardner,

As requested on Thursday, April 30, 2009, the Committee on Faculty Welfare reviewed the *Furlough and Salary Cut Proposed Policies* submitted to the San Francisco Division for review and comment.

The Committee on Faculty Welfare expressed the following concerns, centered on 2 main topics:

1. Impact on Faculty Welfare:
 - The equity of subjecting faculty members supported totally or partially by non-State funds to furlough or salary reduction policies must be considered. Given the high percentage of UCSF faculty with salary support from non-19900 funds, salary reduction for such faculty members would mean a significant loss of revenue for the University and for the State, and could therefore negatively impact the fiscal crisis. The Committee on Faculty Welfare recommends that salary cuts should only be implemented if they actually mitigate the budget shortfall.
 - UCOP should conduct simulations to estimate the total cost savings versus financial losses associated with furlough or salary cut policies. The negative effect those policies may have on non-State revenues as well as on academic and clinical accreditation requirements should be evaluated carefully before enacting the proposed policies. The potential impact of furloughs on research productivity, compliance with contracts and/or granting agency requirements, and the ability of the faculty to obtain future contracts and grants must be considered.
 - There should be a provision to “hold harmless” faculty so service credit, retirement, insurance coverage and benefits will not be adversely affected if proposed furlough or salary reduction policies are enacted.
 - Furloughs should not limit the days or hours that faculty can gain access to labs and offices.
2. Definition of Emergency:
 - The conditions which constitute a financial emergency are not defined.
 - The circumstances under which the Academic Senate shall not be consulted in advance of furloughs and salary cuts are not defined.
 - A specific duration of the emergency furlough or salary reduction plan and a proposed schedule for mandatory periodic review should be included in the proposed action by UCOP (or if at a campus level, the Chancellor).
 - The decision to implement furloughs or salary reductions should be based on financial emergency, but emergency due to natural disasters should not be subject to implementation of these policies.
 - Any request from a campus Chancellor for a declaration of financial emergency (section III) should comply with the Higher Education Employer Employee Relations Act and should require

consultation with the academic senate of that campus similar to section III A, and where applicable, consultation with the Medical Center Director.

For the following reasons, the Committee feels that furloughs, as a last resort, are preferable to salary reduction:

1. Furloughs are easier to reverse than salary reduction when the financial crisis has passed.
2. Furloughs will have less impact on benefits, including retirement earnings.
3. It would be preferable to offer time off without pay and allow faculty members to choose how they use their time during furlough periods, including outside professional activities that may compensate for the loss of income incurred by the furlough, rather than asking faculty to work full time at a reduced salary.

Finally, the issue of a choice between furloughs and salary reduction should be taken to a vote for consideration by the entire faculty.

Sincerely,

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