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## UNIVERSITY OF CALIFORNIA COMMUNITY

Dear Colleagues:

I have received thousands of communications and comments regarding the options we put forward regarding proposed salary reductions and/or furloughs for UC faculty and staff. I want to thank those who have written--your input is an important part of this process and I will take your comments under consideration before deciding on a final proposal to recommend to The Regents at their July meeting.

I am well aware that salary reductions and/or furloughs are very difficult for all members of the University community to consider in light of the current state of the economy. Unfortunately, given the proposed 20 percent reduction in State funding for the University contained in the Governor's revised budget, I am afraid that these kinds of actions together with extensive additional cuts at each of our campuses will be required to manage through these difficult challenges.

The comments I have received thus far reflect a broad spectrum of concerns and preferences and include the following:

- An across-the-board salary cut without furlough days is not favored by a large group of employees. We also have been strongly encouraged to develop a graduated approach for these reductions with higher compensated employees absorbing a larger reduction. Both of these suggestions will be given serious consideration.
- Strong sentiment has been voiced urging that retirement benefits for faculty and staff be protected regardless of which option is implemented. On this point, it is my intention to ask that The Regents act to protect retirement benefits during the term of the salary reduction/furlough plan, although, I recognize that the final authority on this matter is within Regental discretion.
- Compelling concerns also have been raised as to whether faculty and staff who are fully funded by research funds should be included in the reduction and we are carefully reviewing that matter.

- Additionally, we are in conversations with our Medical Centers to consider their strong preference for greater flexibility in taking these reductions so as not to unnecessarily interrupt their health care operations.
- A number of people have written regarding the application of a furlough and/or salary reduction to union-represented employees. As we have said previously, implementation of systemwide furloughs and/or salary reductions for represented employees is subject to collective bargaining. At the same time, we expect participation from union-represented employees in helping to address our budget challenges.

As I said in my video message last week, there are no perfect choices here and it is important to recognize that the option The Regents ultimately choose will likely not reflect everyone's preferences.

Again, I appreciate the range of views and concerns being expressed, and I will take all comments into account in the development of the proposal that will be presented to The Regents for a final decision. You may be assured that I will share my recommendation with you in advance of The Regents' meeting.

As always, thank you for your dedication and service to the University.

With best wishes, I am,

Sincerely yours,

A handwritten signature in black ink, appearing to read "Mark G. Yudof". The signature is stylized with a large, sweeping flourish at the end.

Mark G. Yudof  
President