

AGENDA

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Meeting: **3:00 p.m., Tuesday, November 16, 1999**
Glenn S. Dumke Conference Center

Ralph R. Pesqueira, Chair
Bob Foster, Vice Chair
William D. Campbell
Martha C. Fallgatter
Dee Dee Myers
Ali C. Razi
Stanley T. Wang

Consent Item

Approval of Minutes of Meeting of September 14, 1999

Discussion Items

1. Senate Bill No. 400 – PERS Retirement Benefit Enhancements, *Information*
2. Domestic Partnership Benefits, *Action*

**MINUTES OF MEETING OF
COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL**

**Trustees of The California State University
Office of the Chancellor
Glenn S. Dumke Conference Center
401 Golden Shore
Long Beach, California**

September 14, 1999

Members Present

Ralph R. Pesqueira, Chair
William D. Campbell
Martha C. Fallgatter
William Hauck, Chairman of the Board, ex officio
Dee Dee Myers
Ali C. Razi
Charles B. Reed, Chancellor, ex officio
Stanley T. Wang

Members Absent

Bob Foster, Vice Chair

Other Trustees Present

Harold Goldwhite
Joan Otomo-Corgel
Frederick W. Pierce IV
Michael D. Stennis
Anthony M. Vitti

Chancellor's Office Staff

David S. Spence, Executive Vice Chancellor and Chief Academic Officer
Richard P. West, Executive Vice Chancellor and Chief Financial Officer
Jackie R. McClain, Vice Chancellor, Human Resources
Douglas X. Patiño, Vice Chancellor, University Advancement
Christine Helwick, General Counsel

Chair Pesqueira called the meeting to order at 2:50 p.m.

Approval of Minutes

The minutes of the May 11, 1999, meeting were approved as submitted.

Amend Revision of Title 5 Regulations—Amendment of CSU Conflict of Interest Code

With the concurrence of the committee, Chair Pesqueira presented Agenda Item 1 as a consent action item amending the CSU Conflict of Interest Code to include, among other changes, the addition of designated positions at CSU Channel Islands, the California Maritime Academy, and CSU Monterey Bay.

The committee recommended approval of the proposed resolution (RUFPP 09-99-04).

Executive Compensation

Chair Pesqueira asked Chancellor Reed to present Agenda Item 2. Chancellor Reed said the item recommends salary adjustments for presidents and system executives; clarifies presidential housing arrangements for CSU Dominguez Hills and CSU Monterey Bay; and recommends adjustments to executive benefits.

The committee recommended approval of the proposed resolution (RUFPP 09-99-05).

Adjournment

The meeting adjourned at 3:40 p.m.

BRIEF

Information Item

Agenda Item 1
November 15-17, 1999

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Senate Bill No. 400—PERS Retirement Benefit Enhancements

Presentation By

Jackie R. McClain, Vice Chancellor
Human Resources

Summary

Senate Bill 400 and its impact on retirement benefits for CSU employees will be discussed.

ITEM

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Agenda Item 1
November 15-17, 1999

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Senate Bill No. 400—PERS Retirement Benefit Enhancements

Governor Davis signed SB 400 (Stats. 1999, Ch. 555) improving retirement benefits for state and classified school employees and retirees, and as a result CSU employees and retirees will enjoy enhanced retirement benefits effective January 1, 2000. The retirement enhancements are statutory and do not require action by the Board of Trustees. Senate Bill 400 provides for enhanced retirement formulas: 2 percent at 55 benefit formula for state miscellaneous members, the majority of CSU employees; 3 percent at 55 for State Peace Officer/Firefighter members; and a one-time increase of up to 6 percent for current CSU state retirees depending upon when they retired. Senate Bill 400 does not impact the employee's retirement contribution. Additionally, it is estimated that even with the benefit enhancements, employer retirement contributions over the next 10 years will remain below 5 percent. Five separate task forces at PERS are working on the implementation procedures for these changes and the PERS web site at www.calpers.ca.gov provides detailed information.

BRIEF

Action Item

Agenda Item 2
November 15-17, 1999

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Domestic Partnership Benefits

Presentation By

Jackie R. McClain, Vice Chancellor
Human Resources

Summary

This item recommends that the trustees adopt health care coverage for domestic partners of CSU employees and annuitants. Additionally, this item recommends that dental and vision coverage for domestic partners of nonrepresented CSU employees and annuitants, if available, subject to the Secretary of State approval process and the PERS' acceptance process, also be adopted.

Recommendation

Adoption of resolution.

ITEM

2

Agenda Item 2

November 15-17, 1999

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Domestic Partnership Benefits

Assembly Bill No. 26 (AB 26) signed by Governor Davis (Stats. 1999, Ch. 558) allows, under specific conditions, for persons in the state of California to register non-marital relationships with the Secretary of State. Having obtained registration of the relationship, the law allows the registered individuals to obtain health benefits under the standard eligibility rules of the Public Employees' Medical and Hospital Care Act (PEMHCA). The California State University (CSU) can elect to adopt the provisions of AB 26 through Board of Trustees' resolution. Specifically, Article 9 (commencing with Section 22867) of Chapter 1 of Part 5, Division 5, Title 2 of the Government Code entitled "Domestic Partners" states that certain employers have the ability to offer health care coverage to domestic partners of their employees and annuitants. The Act states: "Members of the Public Employees' Retirement System who are employed by the ...California State University [are included in this benefit] only if...the Board of Trustees of the California State University...make this section applicable to their employees." (AB 26, Sec. 3; G.C. § 22875(b)). Thus, this item requests this action be taken. The CSU unions have supported these benefits and the CSU has advised the unions of its availability to meet and confer under HEERA with respect to its discretionary actions under the Act.

AB 26 establishes the right to register a domestic partnership relationship with the state beginning January 1, 2000. The ability to enroll domestic partners in a Public Employees' Retirement System (PERS) health plan will be based on presentation of a properly certified registration notice from the Secretary of State. The effective date of enrollment can be as early as February 1, 2000. A domestic partnership can be either same sex or opposite sex. In order to enroll a same sex partner, both member and partner must be 18 years old or older. In order to enroll an opposite sex partner, the PERS member and the partner must both be 62 or older and collecting a Social Security benefit.

PERS is preparing detailed implementation information on the domestic partnership program and health enrollment instructions. CSU employees will be able to receive information on the new program in December. Retirees are being advised to contact PERS directly in December for information.

The CSU's current health and welfare package includes not only PERS medical coverage, but CSU dental and vision programs for nonrepresented and represented employees and eligible family members. It has been CSU's established practice to parallel PERS' dependent eligibility regulations for medical benefits when establishing eligibility criteria for dental and vision benefits. Maintaining parallel dependent eligibility criteria for all three benefit programs under the "health coverage umbrella" provides campus administration with programs that can be efficiently and effectively communicated and administered. In keeping with established practice, it is recommended that the trustees adopt a resolution expanding the definition of dependent eligibility for dental and vision plan coverage for nonrepresented employees to include domestic partners, thereby paralleling PERS' dependent eligibility regulations. The Secretary of State approval process and the PERS' acceptance process will be the basis of approval for the domestic partner for dental and vision benefits. The CSU will not establish a separate dental and vision domestic partner approval process.

The university will be meeting with the exclusive representatives of its various bargaining units as needed to discuss any implementation factors within the control of the CSU and to offer dental and vision coverage to domestic partners of CSU employees and annuitants, if available. Such collective bargaining discussions will be in accordance with HEERA.

The following resolution is recommended for adoption:

RESOLVED, By the Board of Trustees of The California State University, that in accordance with Assembly Bill No. 26 (Stats. 1999, Ch. 588) health care coverage for domestic partners of CSU employees and annuitants is hereby adopted, by making Government Code Section 22875(b) applicable; and, be it further

RESOLVED, That dental and vision coverage for domestic partners of nonrepresented CSU employees and annuitants, if available, subject to the Secretary of State approval process and the PERS' acceptance process, is also hereby adopted.