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**In strict confidence in
preparation
for collective bargaining**

UC Board of Regents' Staff Compensation Policy (1978)

1. That, subject to the availability of appropriate funding, staff and management employee salaries and benefits be based on prevailing total compensation for employees performing comparable work in private and public employment;
2. That the President be instructed to determine prevailing total compensation appropriate to University jobs and the salary and benefits adjustments required to bring University staff and management total compensation into alignment with prevailing total compensation; and
3. That the President be instructed to request from the Governor and the Legislature the state funds necessary to implement this policy.

MERCER

Human Resource Consulting

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July 2005

Competitive Review of Total Remuneration

Presentation to the Board of Regents

Agenda

- Study Overview:
 - Project Objective and Outcomes
 - Scope of Study
 - Methodology
- Study Findings
- Questions

Study Overview

Project Objective and Outcomes

- Objective:
 - Assess competitiveness of total remuneration for UC System

- Outcomes:
 - View of UC total remuneration vis-à-vis competitive labor markets
 - Information for short-term actions and longer-term strategy

Study Overview

Scope of Study: Populations and Elements

Populations

- Included:
 - Career Faculty and Staff at the campuses, medical schools and UCOP
- Not Included:
 - UC Labs
 - UC Medical Centers

Elements

- Included:
 - Cash compensation
 - Active health and welfare benefits
 - Retirement and retiree medical benefits
- Not Included:
 - Cost of living (e.g. housing)
 - Intrinsic/extrinsic factors

Study Overview

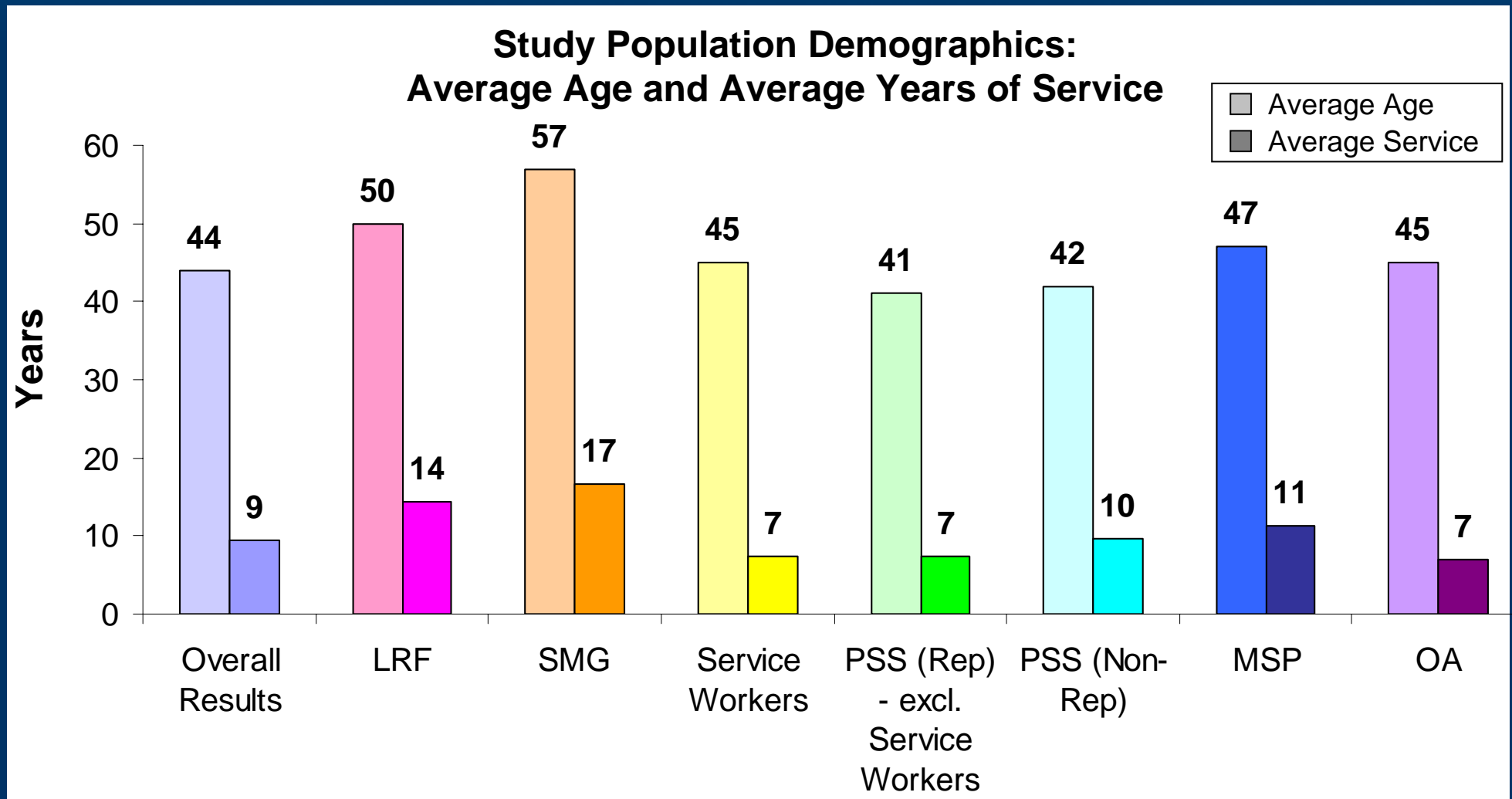
Scope of Study: Study Population Coverage

Study Population Coverage by UC Personnel Program		Total UC Population	Study Coverage
LRF	Ladder Rank Faculty	8,300	80%
SMG	Senior Management Group	300	35%
PSS (Rep)	Professional & Support Staff - Represented	26,400	56%
PSS (Non-Rep)	Professional & Support Staff - Non-Represented	22,200	16%
MSP	Management & Senior Professional	5,100	19%
OA	Other Academics	11,200	25%

OVERALL STUDY POPULATION COVERAGE: 39%

Study Overview

Scope of Study: Demographics



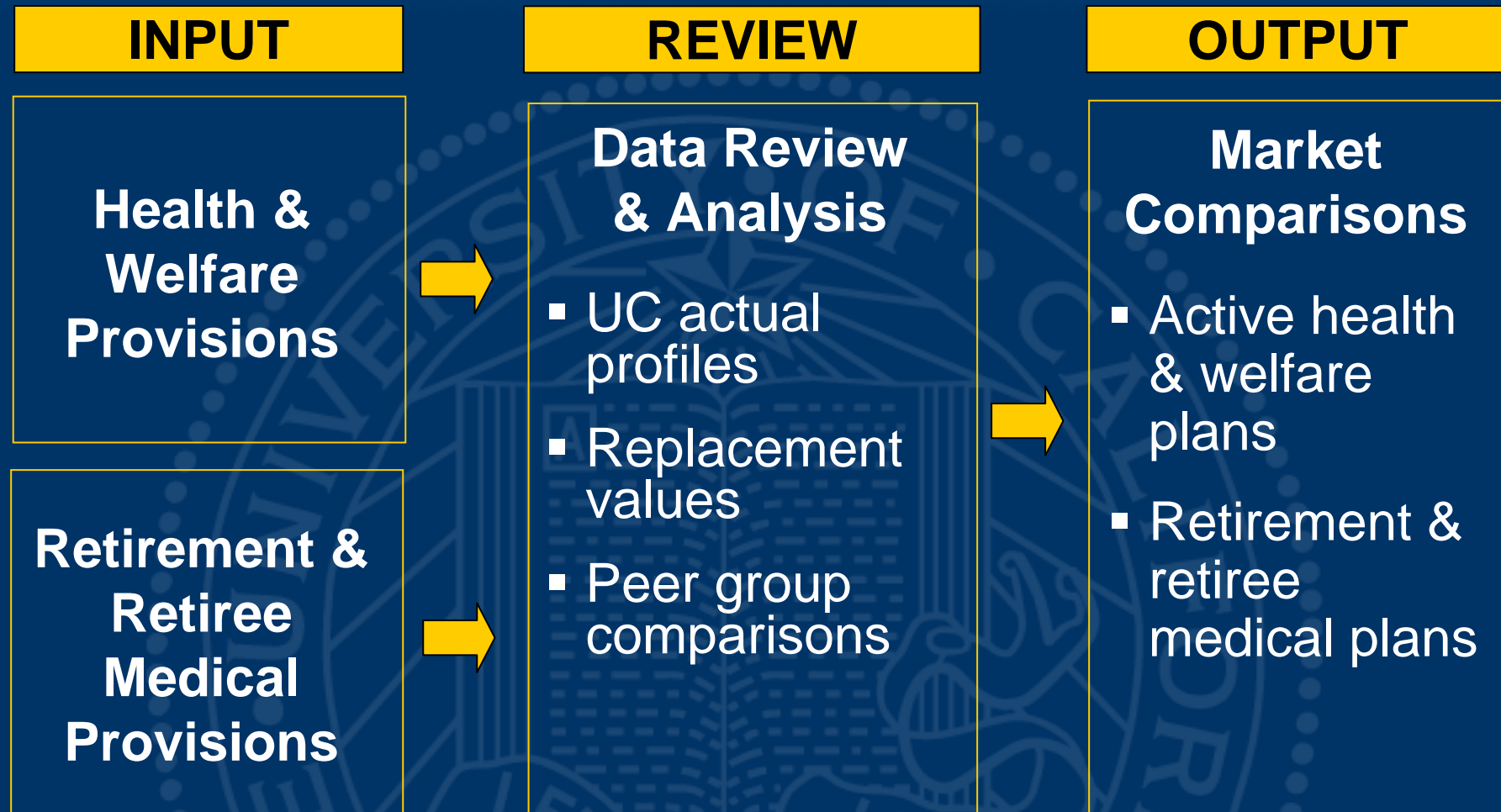
Study Overview

Methodology: Total Cash Compensation



Study Overview

Methodology: Benefits and Retirement



Study Overview

Methodology: Total Remuneration

Compensation Analysis

*Competitive comparison
relative to market survey data*



Benefits & Retirement Analysis

*Competitive comparison
relative to each set of peers*

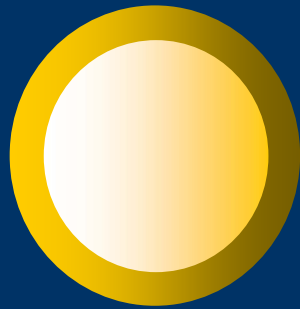


Total Remuneration Analysis

*A combination of
benefits,
retirement and
compensation
data, showing
overall competitive
position*

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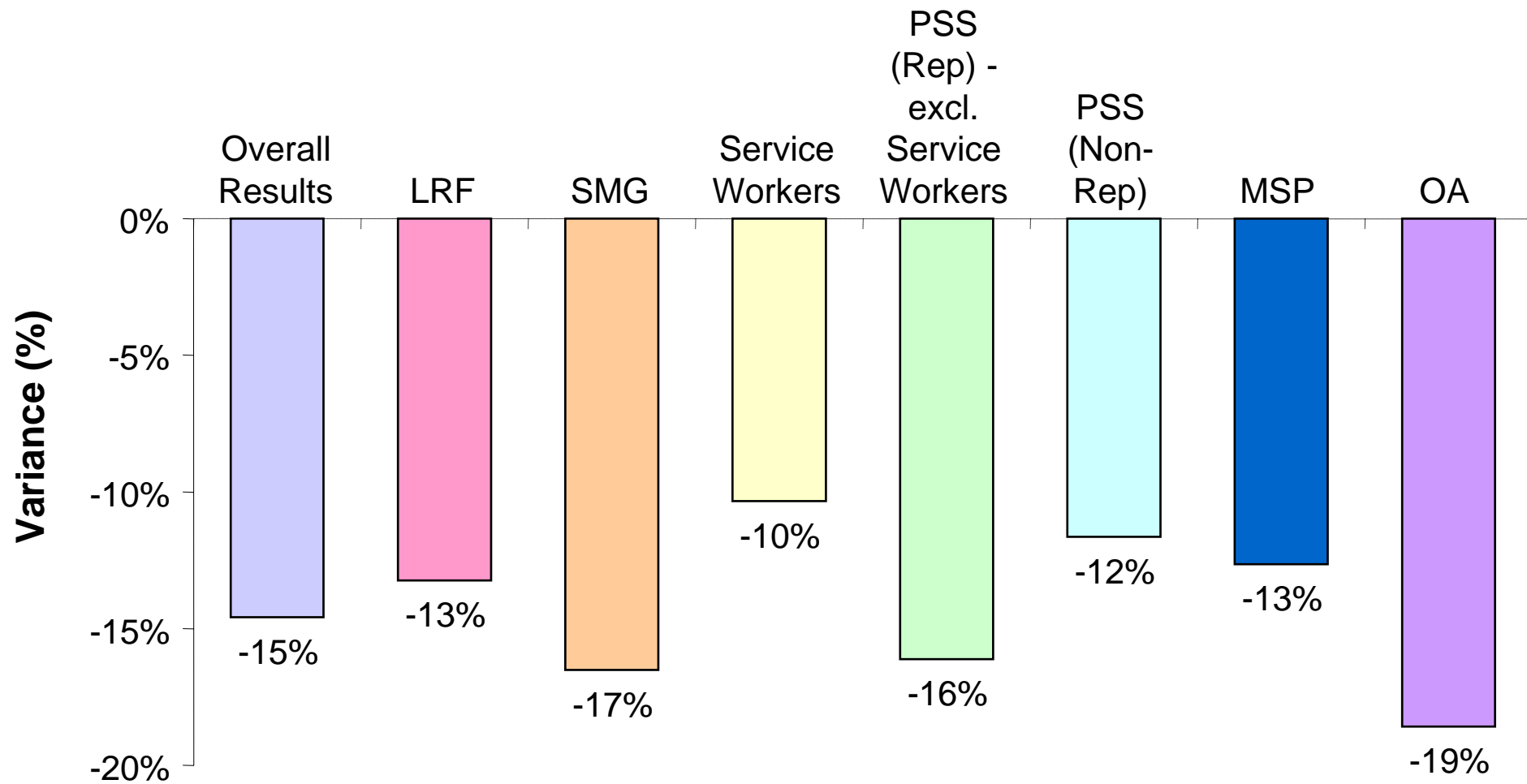


Study Findings

Study Findings

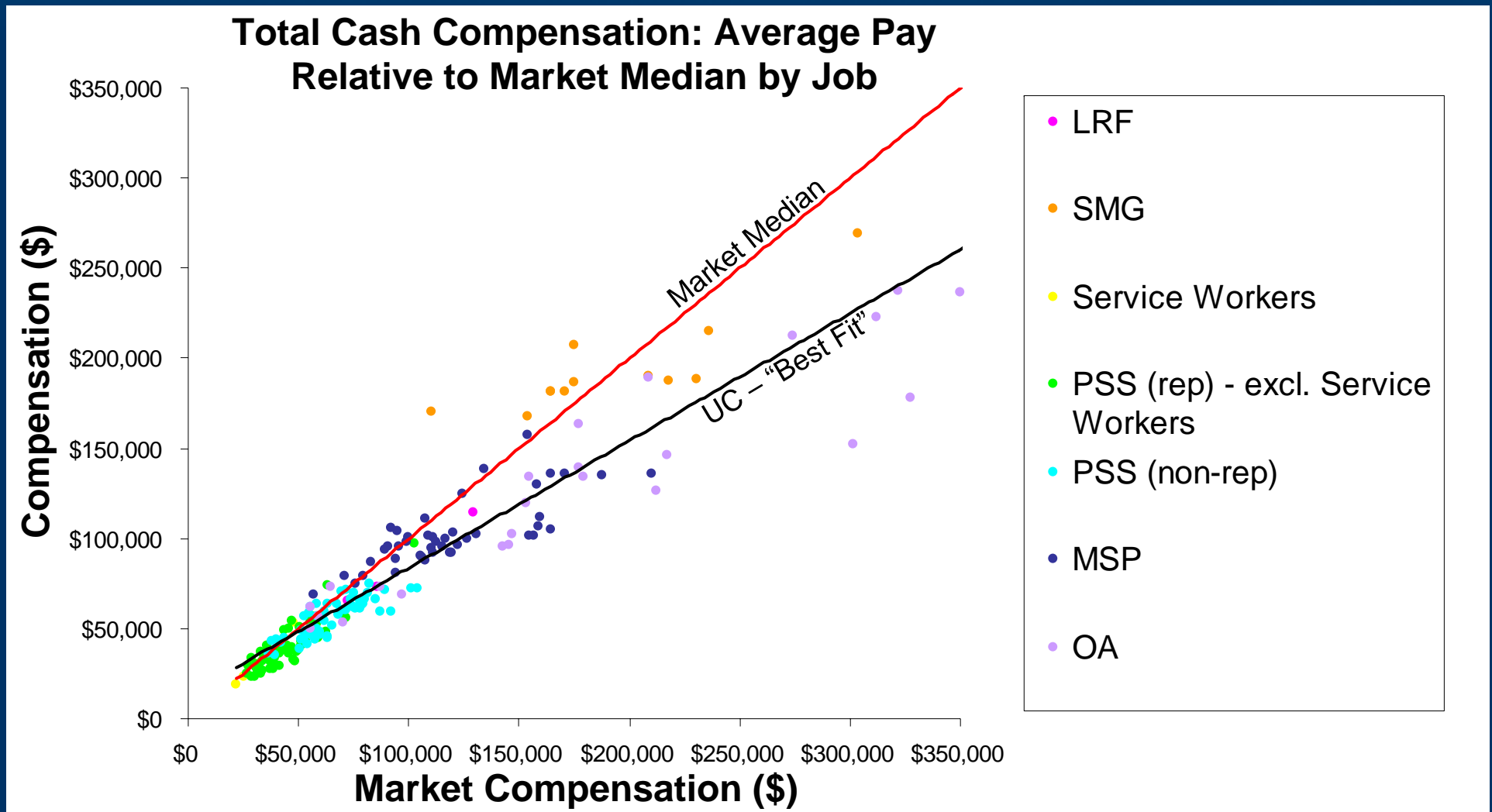
Cash Compensation: Overall Market Comparison

Total Cash Compensation: Variance from Market Median



Study Findings

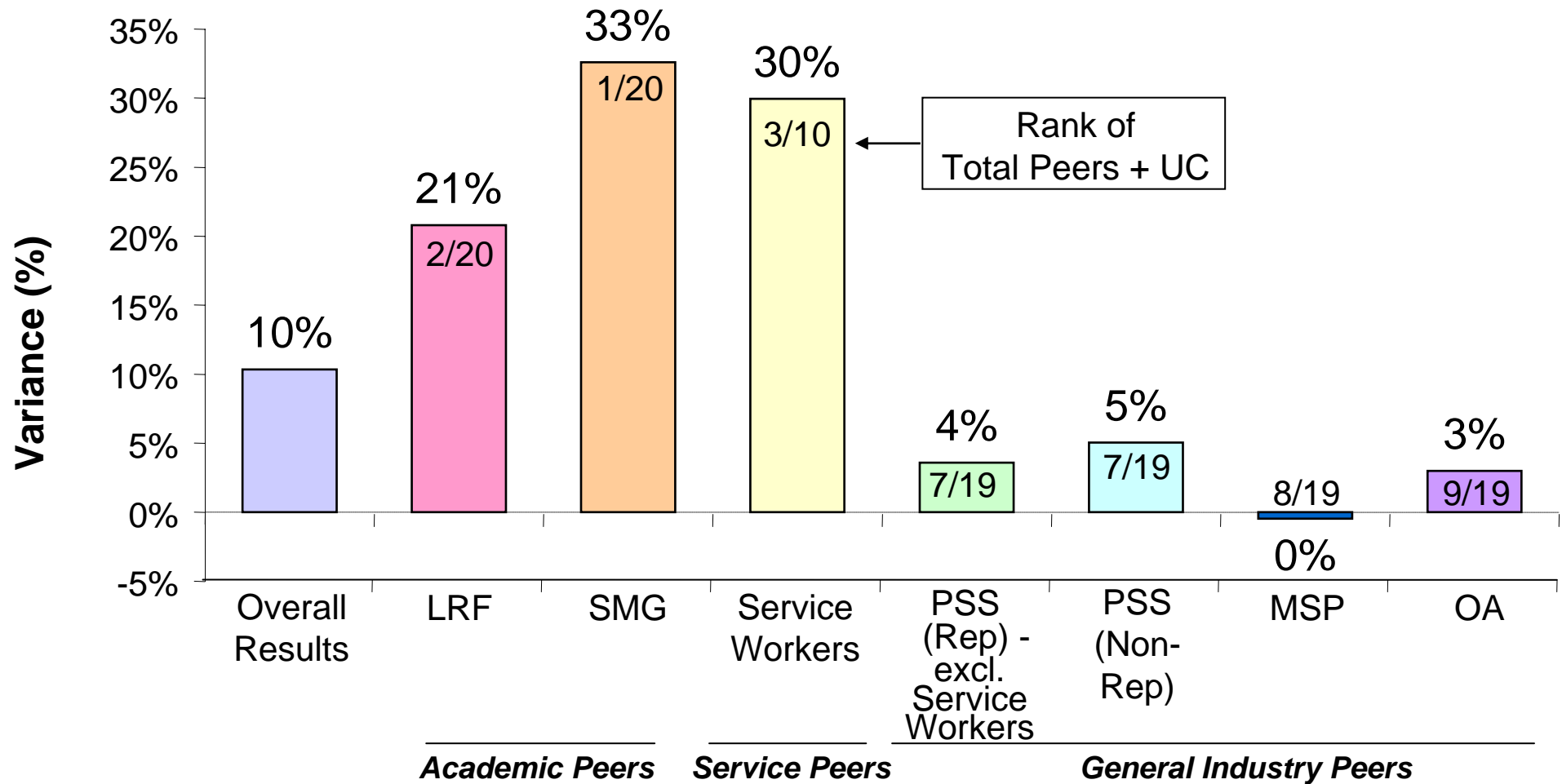
Cash Compensation: Market Comparison by Job



Study Findings

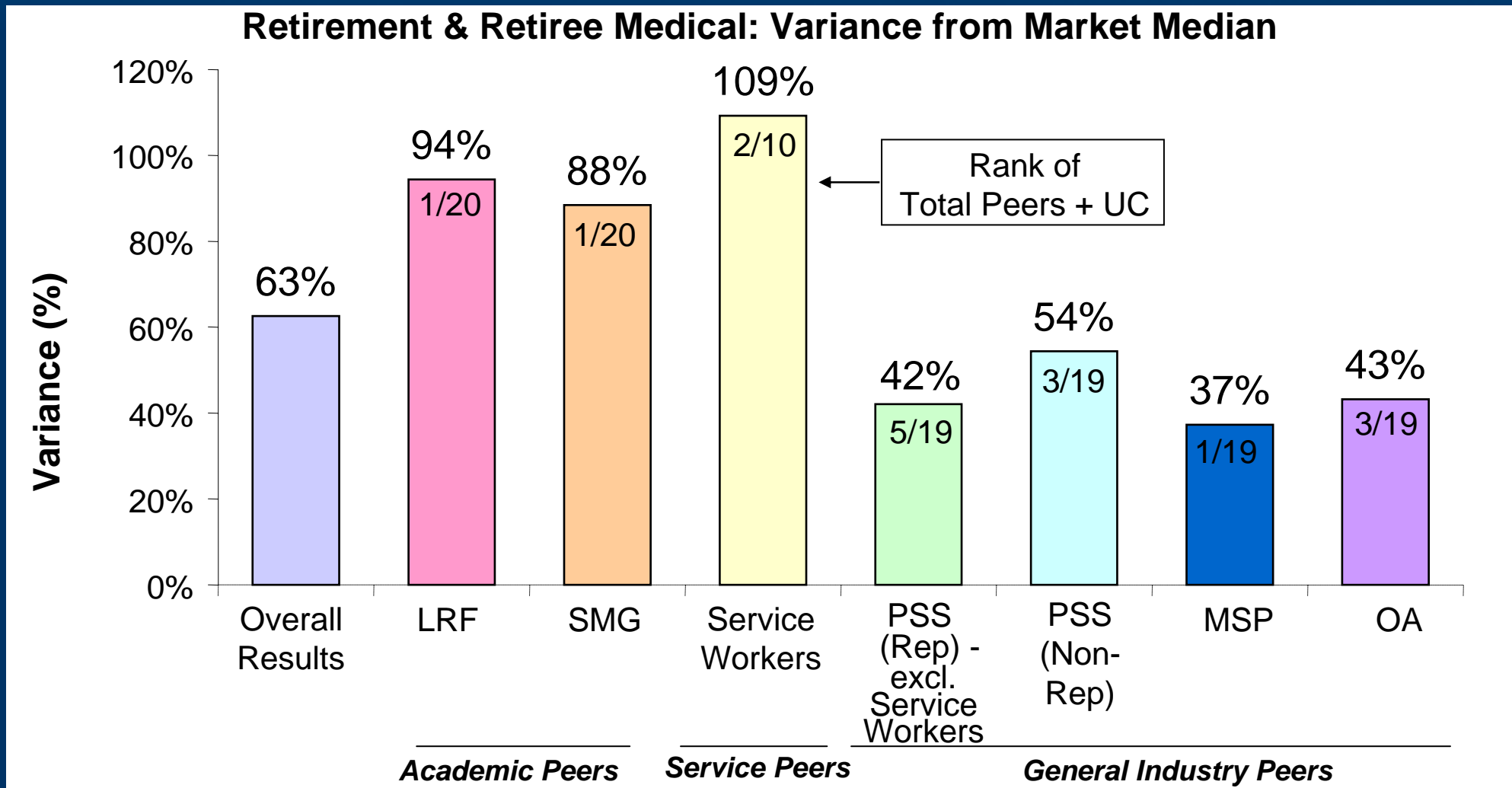
Benefits: Overall Market Comparison

Active Health & Welfare Benefits: Variance from Market Median



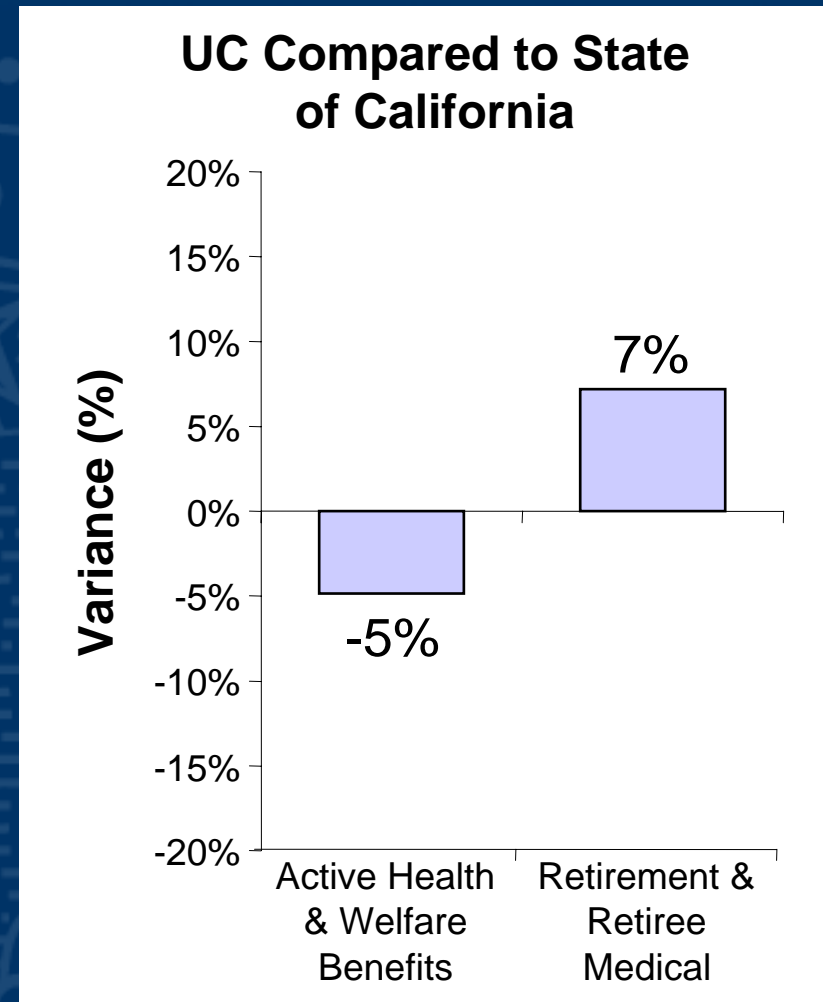
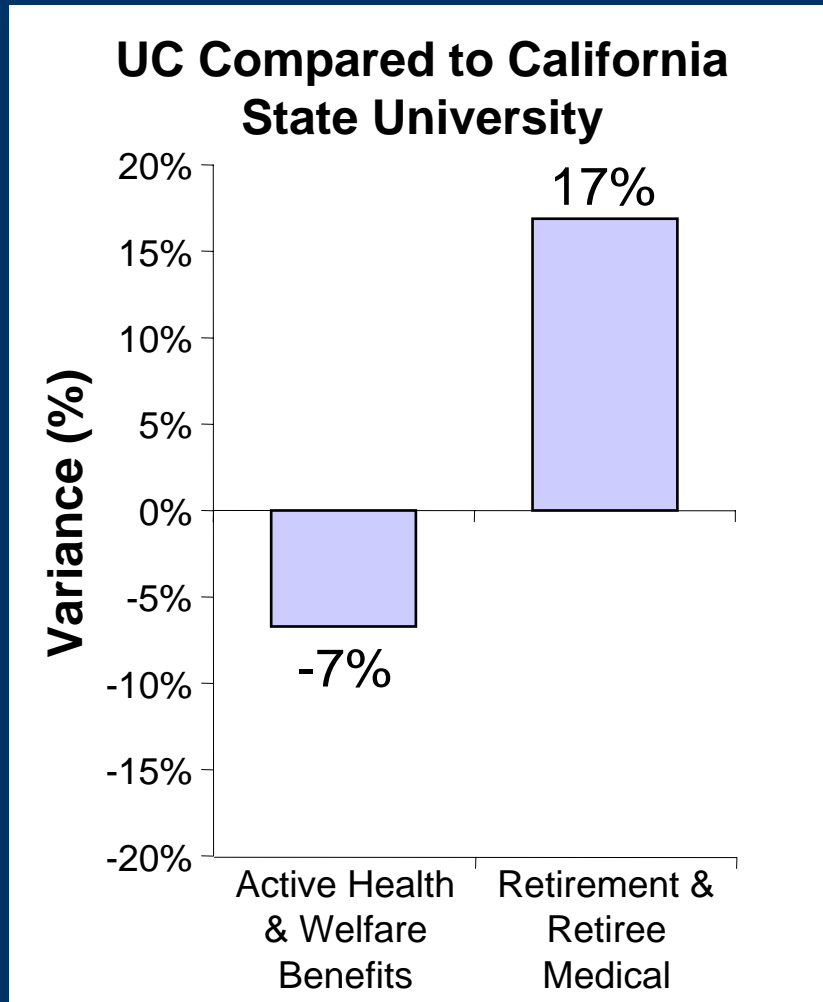
Study Findings

Retirement: Overall Market Comparison



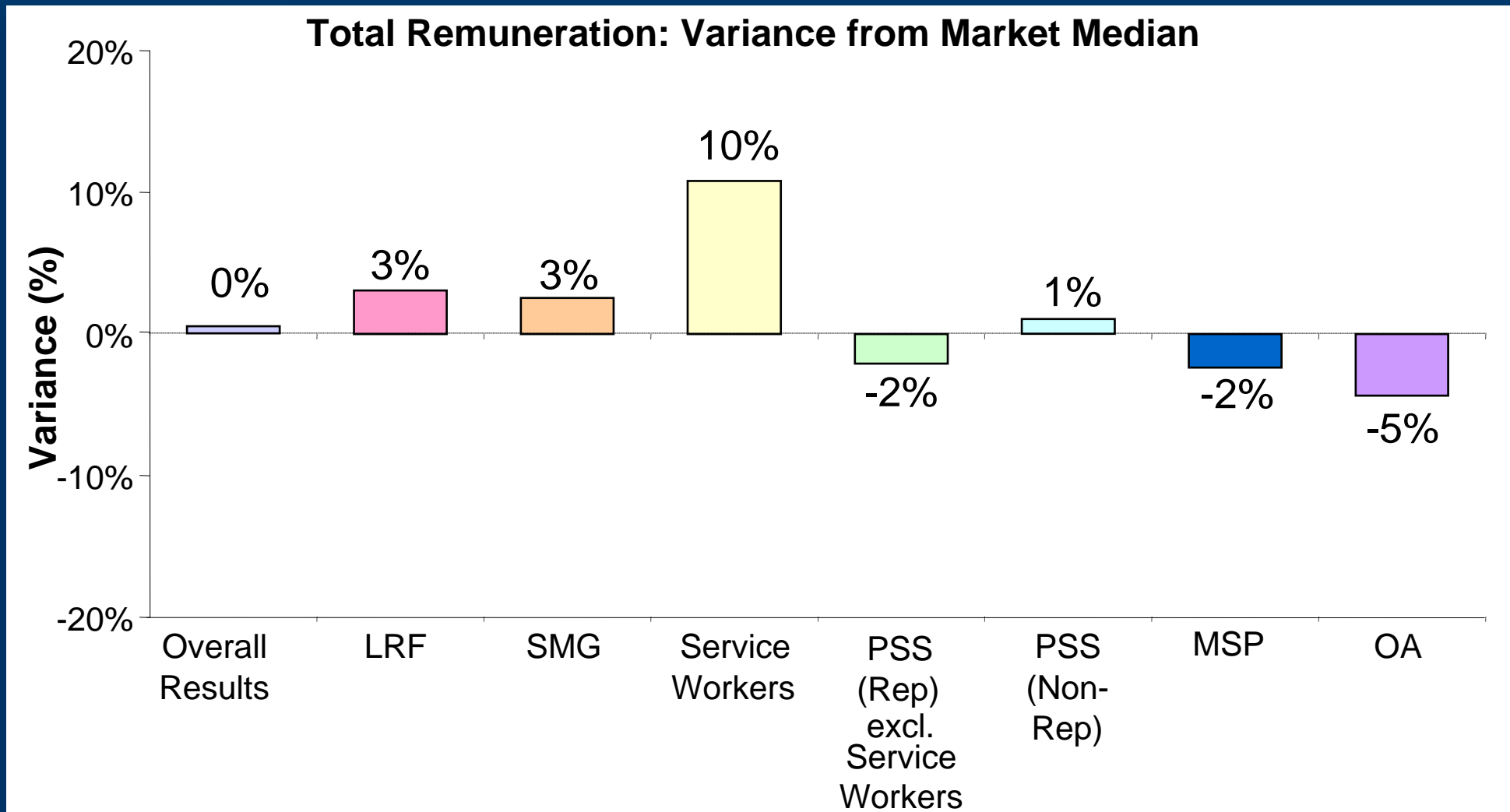
Study Findings

One-to-One Comparisons



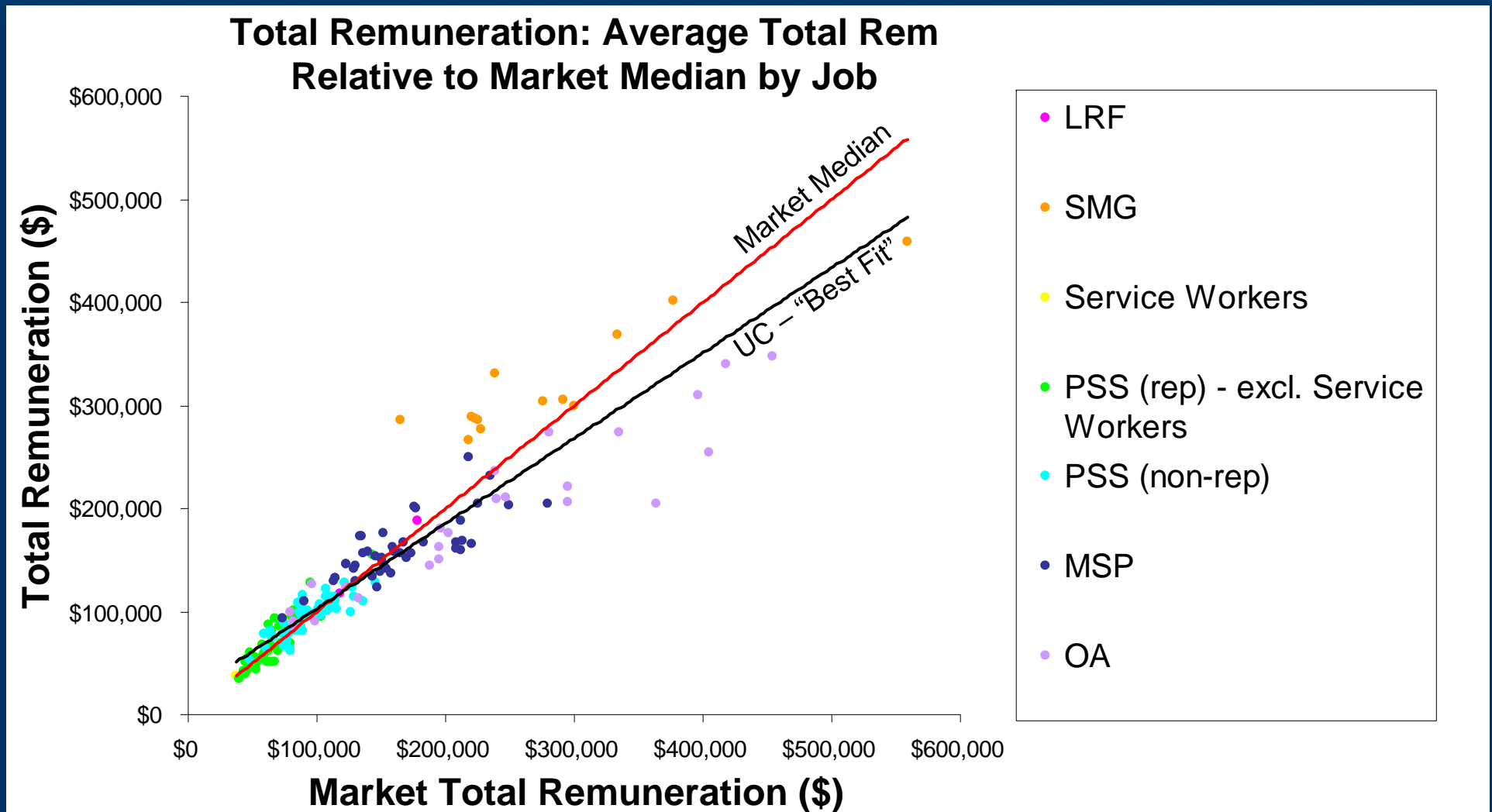
Study Findings

Total Remuneration: Overall Market Comparison



Study Findings

Total Remuneration: Market Comparison By Job

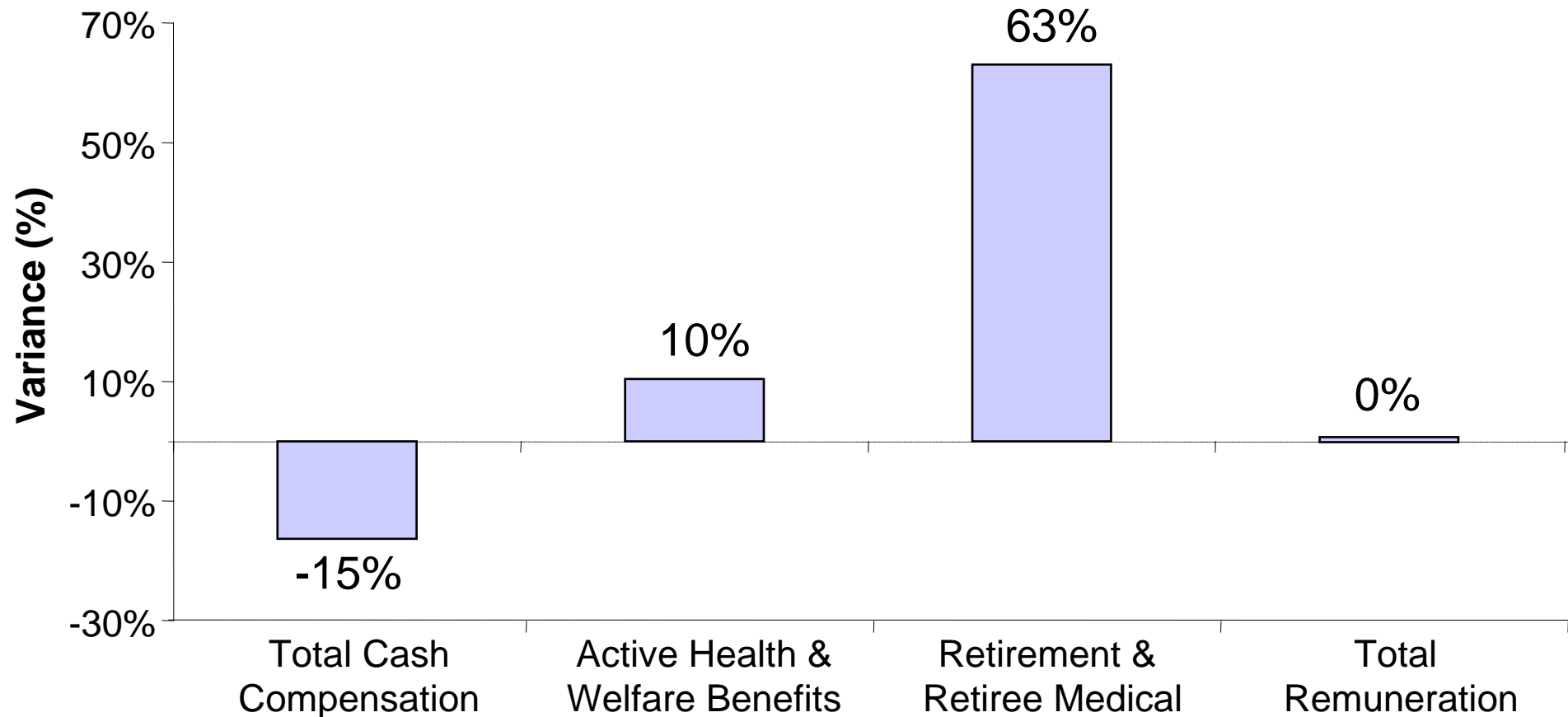


Study Findings Overall Summary

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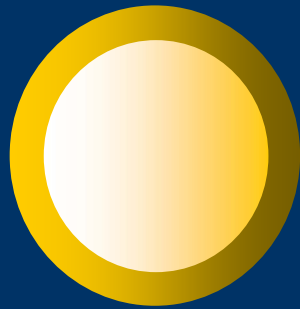
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Summary: UC Variance from Market Median



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Questions