As another academic year draws to a close, the University of California, and our own Berkeley campus, continue to face major budget problems. The recent announcement of the May Budget Revise, the outcome of the negotiations between the so-called CO2 of Governor Brown and UC President Napolitano, has been well spun by both sides as good news. Yet, far from stopping the rot of public disinvestment, the deal entrenches conditions of austerity at the University of California, which portends the further diminishment of educational quality and the stripping of faculty pensions.

To compensate for state cuts, Berkeley’s leadership team has turned to increasing private revenue streams, outsourcing auxiliary services, and introducing a fresh wave of cuts that will be felt across the campus. While these campus measures have so far managed to patch the problem of fiscal support for Berkeley excellence, they are not a long-term solution. The search for private revenue streams as a substitute for public funding is unlikely to result in the same scale of support for the campus without a massive redistribution of its research and educational priorities. It is also likely that such a redistribution will increasingly and in practice be decided outside the framework of faculty shared governance in meetings of donors, development officials, and top level administrators. The substitution of public dollars by private dollars entails the rise of a managerial culture in place of faculty self-government.

Contrary to this path to privatization, the Berkeley Faculty Association believes that we are more likely to protect Berkeley’s distinctive brand of excellence by allying with others in the public sector in a collective campaign for state reinvestment in higher education that maintains the integrity of the ten-campus University of California system. California’s public agrees with us: three-fourths believe there is not enough state funding for higher education. Unlike Governor Brown they do not underestimate the public value of the University of California.

Here is a brief review of our work this past year:

- Faculty Welfare

Last summer UCOP’s own study revealed that faculty salaries and benefits are at least 10 per cent below market rate and becoming less competitive. Of great concern to BFA has also been that we are paying more and yet getting less for our healthcare and pensions. In the spring we organized a petition that successfully prevented the introduction of a plan to again restructure our healthcare options. It was signed by over 2,000 faculty across the University of California, with more than 500 signatories from our own campus. We have also been deeply concerned about the growing inequities between faculty salaries and benefits. We welcomed the Report on Faculty Salary Equity commissioned by Vice Provost Janet Broughton and worked with her to include new language in the AP Bears reporting system to enable those ‘stuck’ at the Associate Professor rank to identify impediments to their advancement. We are closely monitoring the growing discrepancy between pension tiers offered to faculty hired before and after July 2013 and are deeply alarmed by the May Revise Budget’s proposal to introduce a new and even less competitive pension tier in 2016 capped at $117,000 as opposed to the current $265,000. The
alarming extent of our pension liability is hardly addressed by the $436 million pledged by the Governor in the May Budget, for it is less than 20 percent of the $2.6 billion owed by the state in its contributions to UCRS. The BFA believes it will not be possible to retain and protect the quality of our faculty if the already diminished quality of salaries and benefits become structured by deep inequities.

- **Advocacy for Public Higher Education**

The BFA believes that the increasing structural problems surrounding faculty welfare and benefits, like those concerning the quality and accessibility of undergraduate education, cannot solely be addressed by increasing private revenues. The budget deficits are just too large. Moreover, only some UC campuses can attract significant sums of private revenue and non-resident tuition, which will entrench inequality across the system. Instead we are part of the ‘Keep California’s Promise’ campaign for state reinvestment. If the median taxpayer paid just an extra $31 in taxes each year, all sectors of California higher education – from community colleges to the California State University and the UC system – would have their funding restored and tuition lowered to their level in 2000. This would refund the system, restore the quality of faculty compensation, and effectively wipe out student debt. The BFA worked closely with the UC-wide Council of Faculty Associations to lobby in Sacramento as part of the ‘Reclaim Higher Education’ campaign, a remarkable and unprecedented coalition of all UC employee groups and students.

- **Campus Events**

The BFA organized two well-attended public events in the Fall of 2014. At “The New Normal: What Does it Mean to Work at UC Today?” on Sept 30, authors of the widely read Remaking the University blog Chris Newfield and Michael Meranze spoke with Berkeley faculty about the rise of the new managerialism at UC and its implications for faculty research, teaching, welfare, academic freedom and shared governance. As part of the fall’s 50th anniversary commemorations of the FSM, the BFA organized a panel on Oct 1, “The Operation of the Machine: UC Then and Now,” where Wendy Brown (Political Science), Leigh Raiford (African American and Diaspora Studies), Amanda Armstrong (Rhetoric) and Chris Newfield addressed an overflow audience that included many alumni of the 1964 protest movement.

- **Membership and Finance**

We have continued to work hard to renew and increase our membership around the new progressive fee structure introduced last academic year. We do not just want new members, we also want to hear from all our members. This year we organized two very popular ‘social’ events in the Fall, as well as a more formal members meeting so we could hear about the issues that concern you and how we might better represent you. Membership dues mostly go to staff salary and that includes our contribution to CUCFA’s lobbyist in Sacramento. If we continue to recruit more members, we hope to be able to reduce membership fees. So please spread the word and encourage your colleagues to join!
This is our last Annual Report as Co-Chairs. We would like to thank all those who have helped us in our work for the BFA in the last two years. And we are absolutely delighted to announce that Michael Burawoy (Sociology) and Celeste Langan (English) will be taking up the reins in July. Their energy, insight and commitment will mean the BFA is in very good hands indeed. We also welcome new board members Leslea Hlusko (Integrative Biology) and Line Mikkelsen (Linguistics) and thank outgoing board members Kevin Padian (Integrative Biology), Charles Hirschkind (Anthropology) and Dylan Riley (Sociology) for their service.

Yours sincerely,
Colleen Lye and James Vernon
On behalf of the BFA Executive Board