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UC to review rehired but pensioned retirees

Tanya Schevitz, Chronicle Staff Writer

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(11-23) 17:37 PST -- The University of California plans to review hundreds of double-dipping pensioners, many of whom were rehired for their old jobs - occasionally at a higher salary than before they retired.

The university's use of retirees drew attention in April after UC Berkeley Police Chief Victoria Harrison left with a lump sum \$2.1 million retirement package and then was immediately rehired for her old job - with a pay raise.

Some months later, UC's governing Board of Regents adopted stricter regulations on who may be rehired and for how long.

According to a university database reviewed by The Chronicle, there were 1,900 pensioners on the payrolls of the 10 campuses and the university's headquarters last February. The review also found widespread violations of guidelines that limited retired workers to no more than one year of re-employment and generally no more than about 19 hours of work each week.

At least 440 pensioners were hired to work for an indefinite period and apparently are not limited to the one-year rule. Roughly 20 percent of those rehired - 348 employees - were working more than the maximum allowed hours, with 181 working fulltime.

According to a university spokesman, rehired pensioners who appear to violate earlier guidelines will be reviewed and brought into compliance with the new policy.

"Any existing cases that involve variances will come forward for review under the new reporting procedures," said UC spokesman Paul Schwartz.

The regents' new policy tightens restrictions, barring rehired retirees from working more than 17.2 hours a week - or 43 percent of a regular work week. It also says there must be a written explanation of the special circumstances requiring the retired employee's services and that regental approval is required for any retirees rehired at a salary of \$205,000 or more. Presidential approval is needed for extensions.

The university defends the practice, saying that it is common practice among employers to rehire retirees and that the numbers are small in comparison to the university's overall workforce of

170,000 employees.

"Our rehired retiree population is comprised mostly of part-time employees in staff and academic positions, and represents a very small percentage (0.01) of our overall workforce," said Schwartz.

He said that about 1,084 of the rehired workers were staff, 595 were in academic positions, including professors and researchers, 169 were management or supervisors and 62 were in unspecified classifications.

The cases that may have to be reviewed span the system.

At UC San Diego, for example, Ruth Covell retired in September 2004 from her \$165,000 a year job as associate dean for capital planning to collect her \$151,000 annual pension. She was rehired as an associate dean a month later to help the health sciences division with the transition to new leadership. She's still there, collecting her pension while being paid about \$71,000 a year for working less than half time under a contract. Her contract won't expire until September and could be extended if she is needed longer, officials said. She did not respond to a request for comment.

At UCSF, Stephen Barclay, the campus' senior vice chancellor for finance and administration, retired on July 1 to begin collecting his \$189,000 annual pension, with a promise he could return a month later at 60 percent time - equaling an annual salary of \$216,000. In addition, Barclay, 61, will be eligible for a bonus of \$32,472.

UCSF Spokeswoman Corinna Kaarlela said UCSF Chancellor Michael Bishop asked Barclay to come back on a recall appointment because Bishop knew he was going to announce his own retirement soon.

"Chancellor Bishop believed that a recall appointment would provide continuity of leadership" until his successor could appoint a new vice chancellor, Kaarlela said.

At UC Berkeley, Robert Hamilton retired on July 1, 2006 as the principal development engineer in the electronics research laboratory to begin collecting his \$93,918 annual pension. He was rehired about a month later, full time and indefinitely for \$116,437 a year - more than the \$101,585 compensation he received in the same position before retirement.

He declined to comment.

Bob Stern, president of the Center for Governmental Studies, a Los Angeles nonprofit, said that it is clear that UC officials think nobody is watching.

"I'm sure these employees are valuable, but if there is a rule, it should be followed. I'm sure in a few cases, they are needed but I'm sure there are very few cases," he said. "It shouldn't be common and

it should be only in exceptional cases."

E-mail Tanya Schevitz at tshevitz@sfgate.com.

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