



UPTE-CWA FACT SHEET

GAO Audit To Investigate Diversion of Federal Grant Money for Staff Raises at the University of California: Quality Research and Education Threatened

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ACTION REQUESTED:

GAO audit of federal funds received by University of California for staff wages (see below for specifics)

BACKGROUND:

- A GAO audit was requested by Congress members Woolsey and Honda in 2006 but was never completed. A request was sent to the GAO and the more specific parameters prepared for the audit.
- UPTE-CWA represents nearly 10,000 researchers and technicians at all the campuses of the University of California. Over 85% of researchers and 75% of technicians are not funded by the state of California but dependent mainly on federal grants
- Approximately 1/3 of all research staff leave the University each year.
- The University and independent sources estimate that researcher and technician pay lag the market by 10% to 20%.
- Pay for researchers and technicians has fallen 20% behind inflation in the last decade.
- The University annually budgets 1.5% for longevity increases while an independent consultant has estimated the costs between 0.3% and 0.5%, the remainder of the budget funds are diverted.
- The University of California receives more than \$2.6 billion in federal grants (excluding DOE labs). Main granting agencies include: HHS (56%), NSF (15%), Department of Education (8%) and Department of Defense (7%).
- University of California researchers and technicians perform critical and extremely diverse work, from seeking cures to AIDS and cancer to developing the next generation of the internet and studying earthquakes on scientific ships over the entire globe.
- The University of California admitted to diverting or, in their words, re-budgeting salary money after inquiries made by Congressman George Brown in late 1990's. No corrective action or fiscal controls have been implemented to address this issue. In fact, UC defends the practice.

AUDIT REQUESTED: GAO audit of research staff salaries in federal grants

- How much of the federal grant funds allotted for staff wage increases was spent on increases?
- If not all was spent on wages, where was it spent?
- How much have average researcher and technician wages increased at the University of California compared to average grants escalators and consumer price index?
- By how much does the University's merit program increase the researcher and technician payroll annually?
- What policies and practices does the University of California have to ensure a full distribution of wage increase money?
- What measures could the University of California take to moderate staff turnover by being more accountable with money received for wages from federal grants?