MINUTES
COMMITTEE ON FACULTY WELFARE
Meeting of November 6, 2014

Present: Noriko Aso, Adrian Brasoveanu, David Cuthbert, Ted Holman, Andrew Mathews, Nina Treadwell, Manfred Warmuth, James Zachos (Chair), Roger Anderson (*ex officio*), Jaden Silva-Espinoza (ASO)

Absent: none

Chair Announcements and Committee Business

Report from the October 28, 2014 meeting of the Senate Executive Committee (SEC)
Chair Zachos reported on the recent SEC meeting, where the first hour was spent meeting with the Chancellor's Cabinet. SEC discussed some major campus issues including graduate growth, the Silicon Valley initiative, and the Long Range Enrollment Plan.

SEC has recommended a joint Senate/administrative task force be created to answer questions regarding strategies for graduate growth, resources, etc., and devise a plan to increase graduate student numbers on campus. For the last ten years, the UCSC campus has been pushing to create a strong presence in Silicon Valley, but the goal has not yet been achieved. The Chancellor reported that UC Berkeley and UC San Diego are moving in that direction and UCSC needs to play a part as well. A recent $25 million grant for the UARC is coming to an end, and is up for a no-cost extension. Moreover, there are opportunities available for the campus to work with NASA/Ames and push collaborations and programing that the Silicon Valley industry would be interested in supporting. The CP/EVC is dedicating 14-15 FTE to create incentives for proposals for programs that could thrive at the Silicon Valley location. The admin will conduct a marketing study to assess demand.

The general sense is that the Long Range Enrollment Plan is outdated and the administration is currently rethinking how the campus sees itself growing in terms of undergrads, state funding, per student funding, etc. Funding models have changed. The State is not providing the funds per student that was expected, and SEC noted that the UCSC campus is impacted more than any other UC as we have more California resident students than sister campuses. Governor Brown wants UC campuses to refrain from increasing tuition costs, but with the uncertainty of State funding, keeping tuition flat may not be a sustainable and realistic goal.

CFW members agree that an involved discussion regarding long range enrollment is needed on campus. The role of UCSC educating California students versus international/out of state students will need to be determined. Members also noted that there appears to be an assumption that our campus needs to keep expanding. The campus wants to grow in certain areas, but may do so at the expense of shrinking other areas. This is a discussion that the campus will need to engage in in the near future.

Following the meeting with the Chancellor's Cabinet, SEC discussed the upcoming Senate meeting on Friday, November 7th , Envision UCSC Strategic Planning, and Total Remuneration and the Merit Boost

Plan. Senate Chair Brenneis encouraged members of all committees to attend the Senate meeting. With regards to the Envision UCSC Strategic Planning project that took place last year, there is apparently some dissatisfaction on campus about the process in that some of the concerns and priorities that were discussed in the early stages of the project did not translate to the final documents listed online. SEC considered how to move forward with the recent Total Remuneration Report and the evaluation of the campus's special salary Merit Boost Plan, which is set to sunset at the end of the 2014-15 academic year. SEC Members discussed a few ways that issues raised by the remuneration study could be addressed, including rethinking UC's salary scales, whether the Merit Boost Plan has caused a trend on campus of overusing accelerations as opposed to using larger off-scale salaries.

UCSC Campus Housing Resale Pricing Program

The Resale Pricing Program was created in 2007 to level pricing inequities among campus units, ensure affordable campus housing for UCSC faculty, and generate funds for low interest loans and future housing projects. Members received a background summary of the program. Apparently the approach in 2007 was to address the overall quality of life for faculty and both faculty salaries and campus faculty/staff housing were considered as part of the overall equation. At the time, market housing prices were high and the wait list for campus housing was long and many on the wait list were passing on more expensive units and waiting for more economical units to come up for sale. Two units side by side could have largely different for sale prices, and vary in degree of upkeep and appliances. Basically, the wait list was not working as it should and was a big motivation for change. Further, before the Resale Pricing Program, owners had to sell their own houses directly to buyers, and units could be on the market for a year or more. This did not help those who were looking to buy off-campus in a hot market. When the Resale Pricing Program began, all houses except those in Ranch View Terrace were priced according to a specific repricing formula, which takes into consideration the square footage and certain percentage of the outside housing market. Further, the campus bought back units from sellers and sold them to buyers, becoming an intermediary between buyer and seller. Once purchased, the campus renovates older units and has created an inventory of more equitably priced and updated units.

Members noted that last year, Colleges, Housing, and Educational Services (CHES) recommended that a 2.6% pricing increase be made in 2014-15. CFW responded to the proposal with a letter to CP/EVC Galloway suggesting that there be no price increase. CFW plans on consulting with the CP/EVC at the committee's next meeting and among several topics of discussion, looks forward to engaging in a conversation regarding campus faculty/staff housing and will inquire as to where the proposal stands.

Further, an assertion was made that there is an $800k surplus/profit due to the program. Members noted that the term "reserves" would be a more appropriate title for the surplus. A suggestion was made that the campus can address the surplus by either continuing with the remodel program and not increasing pricing, thereby spending down the surplus and then later increasing prices to make the program solvent, or by increasing prices as proposed and using the reserves to move forward with the building of Phase II at Ranch View. During CFW's consultation with Steve Houser (CHES) and John Thompson (Faculty and Staff Housing) last year, the committee was informed that the Phase II project is a non-starter due to an existing deficit from the building of Phase I. Members considered the pros and cons of building the second phase, including, the ability to pay down at least some of the deficit with the sale of new units, and the possibility of a low wait list for new units and possible competition of resources with planned academic and student housing building projects.

The original objectives of the program to erase the inequity of units appears to be being met. However, the objective to generate funds for the Low Interest Option Supplemental Home Loan Program (LIO-SHLP) loan may no longer be an appropriate goal as an assertion was made that new faculty are currently choosing to use the loan option and are instead opting to use provided housing allowances. Members noted that housing allowances vary greatly between divisions. Some divisions appear to use allowances consistently, whereas others, not at all. Members questioned whether the CP/EVC is providing the divisions with funds for housing allowances for every new hire and if so, what divisional deans who are not offering housing allowances are holding the funds for. Discretion may be at the dean level. CFW plans to clarify this during their consultation with CP/EVC Galloway.

Members agree that CFW needs to determine whether or not the current program needs to be modified, and if so, the committee needs to rethink the program's original objectives. Chair Zachos noted that the key in any formula used is affordability with regards to salary and suggested that there should be less worry about the off campus market and more concern about what is affordable for new UCSC Assistant Professors.

Special Salary Practice - Merit Boost Program

In June 2008 a joint Senate-Administrative Task Force studied UCSC faculty salaries and recommended that examination of how salaries are adjusted through the personnel review process. In response, a revised campus salary practice was implemented for reviews taking place in 2008-09 through 2010-11, and has been extended through 2014-15. The practice allows advancement to be coupled with a greater range of possible salary increases and accelerations than in the past. The "Merit Boost Program" is set to sunset at the end of this academic year, and CP/EVC Galloway has suggested that she would like to change the program, although further details are unknown at this time.

Members noted that the original objectives of the plan were to have UCSC median off-scale salaries equal to the next lowest o/s salary campus by 2009, and to have UCSC median faculty salary equal to the nine campus median by 2011, in order to restore salary equities among UC campuses and increase UCSC salaries across all scales. The committee discussed the program guidelines for making recommendations for merit and promotion academic review files. In the first three years of the program, it was recognized that not all faculty would have time to benefit from the plan due to the call action rotation schedule. In 2011, CFW did a cursory salary analysis and determined that the metrics used for off-scale comparison may not be appropriate and that the Merit Boost Plan did not appear to help faculty who have been here for years as their salaries were still lagging behind. The committee followed up with a comprehensive evaluation and produced a report in February 2012 with data from the first three years of the program. The key findings were that the program is apparently improving salaries, but not as much as originally hoped. The percent of greater than normal merits "GTNs" increased from 25% of all personnel actions in 2005, to 47% during the program. The percent of accelerations, however, decreased from 31% of all actions to 19%.

Members questioned if funds for normal step salaries (i.e, promotions) and off-scale salaries is all coming from the same pool, and whether campuses with large endowments have the ability to give more off-scale salary to faculty. Members also questioned whether accelerations are less desirable than off-scales, recognizing that accelerated too quickly could be problematic if faculty find themselves at a step that naturally calls for promotion and they are not quite ready to solicit outside letters, etc., an issue with caps on off-scale In consideration of total remuneration, members would also like to know if negotiated salary under the Negotiated Salary Pilot Program at some UC campuses is included in total salary for purposes of retirement, and if cost of living allowances (COLA) are based just on step or if it includes off-scale in the allotment calculation. The committee recognized that campus salary comparisons and step by step comparisons include off-scale, therefore, there may an advantage to having higher off-scale salaries. Members agree with the recommendations of last year's CFW that UCSC salaries should be equitable with the other coastal living campuses, UC Irvine, and UC San Diego. Further, members noted that APM 600 – Salary Administration was revised last year and APM 620 – 16 – Limitations on Off-Scale Salaries was eliminated from the APM. CFW would like to know how the removal of these limits has affected personnel review action salary recommendations and approvals at UCSC.

Chair Zachos noted that the original estimate of cost per year of the program to raise UCSC faculty salaries to the systemwide average was $1.6 million. However, in the first three years of the program, actual costs were less than $750k/year. CFW plans on getting an update from the CP/EVC on the projected and actual costs of the program during their consultation.

Once received from the Academic Personnel Office, CFW will analyze the latest salary data from 2013, campus by campus mean/median, and create a summary of findings in order to further assess the program. The committee might also conduct a more comprehensive review, similar to the one carried out in 2012 that looked at other salary, advancement, and promotion metrics. The committee hopes to provide a report of findings to the Senate during the winter Senate meeting.

Systemwide Review, APM 133, 210, 220, 760 (Diversity & Limitation on Service)
CFW has been asked to comment on proposed revisions to APM section 133- Limitation on Total Period of Service with Certain Academic Titles, APM 210 – Review and Appraisal Committees, APM 220 – Professor Series, and APM 760 – Family Accommodations for Childbearing and Childrearing. The proposed changes to all four sections are a result of revisions of language on evaluating contributions to diversity and extending the eight-year limitation on service. Members reviewed the proposed revisions and determined them to be sensible and more inclusive. CFW supports the revisions as proposed.