

Minutes
COMMITTEE ON FACULTY WELFARE
Meeting of March 31, 2016

Present: Karen Bassi, Shelly Grabe, Ted Holman, Andrew Mathews, Grant McGuire, Nina Treadwell, James Zachos (Chair), Shelly Errington (*ex officio*), Jaden Silva-Espinoza (ASO)

Absent with Notice: Ricardo Sanfelice

Chair Announcements and Committee Business

Update from the Senate Executive Committee (SEC) Meeting of March 8, 2016

Chair Zachos reported that SEC reviewed the Council of Provosts's proposal for revamping Core. Chair Zachos noted that SEC did not view it favorably as it deviated largely from the recommendations of the Committee on Educational Policy (CEP). SEC also discussed the current audit of the University of California with regards to out of state vs. resident enrollments.

Update from the University Committee on Faculty Welfare (UCFW) meeting of March 11, 2016

Chair Zachos reported that UCFW met with the Health Care Task Force and was informed that UC is still under negotiations for health plan contracts for the coming year. Details are confidential and little is being shared on the topic. UCFW discussed the current mental health care contract with Optum and raised concerns that there are very few providers who accept this insurance. Because of this, employees of some campuses have had issues with adequate access to providers. Chair Zachos contacted UCSC Health Care Facilitator Frank Truba to see if this was the case for UCSC. Truba reported that complaints have been minor, but there are long waits for the few providers who accept Optum in our area, which is a concern particular with mental health. Chair Zachos noted that UC is aware of the problem and is trying to come up with a solution, possibly by using a different insurance provider.

UCFW also heard from the Retirement Options Task Force. The task force reported that given the retirement options presented to the President, most are generally happy with the end result. Chair Zachos noted that the UCFW recommendation of starting the supplemental defined contribution (DC) plan at the start of employment for a greater return vs. starting the plan when the California Public Employees' Pension Reform Act (PEPRA) cap was reached, was ultimately accepted by the President. UCFW is in the process of determining whether a response to the final decision is needed.

The committee looked at a campus salary allocation report based on the 3% increase that faculty received last year. Campuses were given the ability to choose how to allocate 1.5% of the increase with each campus following different approaches depending largely on the nature of equity issues. Because the equity report for UCSC revealed no gender or race based equity issues, based on CFW's recommendation, the EVC chose to apply 1.5% to the on-scale salary and 1.5% to the total salary of all faculty. Chair Zachos noted that UC Santa Barbara did something similar, but UCSC is the only campus where most everyone received an additional bump up on top of the base 1.5%. At some campuses, only 25% of faculty received an additional bump up on off-scale, presumably to address equity issues. CFW Members questioned what effect this might have on faculty morale on these campuses. Chair Zachos commented that the 1.5% increase was intended to be merit

based; and because the second 1.5% increment was applied to total salary which includes off-scale given for merit, in principle, the increase was actually merit based.

CFW has discussed issues with salary compression and inversion on campus and Chair Zachos shared that some campuses decided to use the money to remedy similar concerns, but each campus applied very different approaches. UC Davis devised a promotion-growth based formula that was uniformly applied across divisions, whereas on other campuses divisions and deans were allocated funds to address merit inequity on a case by case basis.

CFW members recognized that as a campus, UCSC has set a goal of bringing the campus median faculty salary up to the UC average with the merit boost/special salary practice. This has helped to bring salaries closer to the median, though are still not there. When pondering the question of what UCSC could do with another salary increase, Chair Zachos suggested that CFW could recommend addressing specific equity issues related to compression and the “loyalty penalty”, where more senior faculty who have been here for years and have not sought outside offers are making less than newer junior faculty who were hired at higher market rates and/or those who sought outside offers to increase their salaries. Members noted that for those with similar teaching, research, and service records in a department, a dean could use a specific set of metrics to adjust the off-scale to bring the salary to “market” for those faculty with exceptional merit who have not pursued outside opportunities for employment. Chair Zachos further noted that this may address some equity issues as faculty with families may be less inclined to move, and pursue opportunities that could bring a higher salary. Some concerns were raised about providing more autonomy to deans noting that there is a built in checks and balances system for merit reviews through the Committee on Academic Personnel (CAP) that would not exist if this option was provided directly to deans. Chair Zachos countered that the process could start with the deans as they have internal knowledge and the go through CAP or could possibly be given to divisional CAP committees. Members recalled that CAP had requested that cross divisional starting salary data be shared with the deans in order to increase transparency. CFW determined that they would like to push on and second this request.

CFW plans on analyzing additional salary data to see if there are clear anomalies in the divisions. Members note that this information could be shared with deans. This new data and analysis may be used to provide the Campus Provost and Executive Vice Chancellor (CP/EVC) with recommendations for a second increase that may happen in June or July 2016. Chair Zachos added that the CP/EVC liked CFW’s recommendation last year as it was simple and not as complex as the processes that were adopted at other campuses.

Brief update from the Advisory Committee on Campus Transportation and Parking (ACCTP) meeting of March 22, 2016

The CFW ACCTP representative reported that the ACCTP reviewed the TAPS 3-Year Fee and Fare Proposal that CFW will be reviewing later on the agenda. The representative noted that the logic for the increases was provided to ACCTP members in a large spreadsheet that pointed out

where the large costs are. The major reasons for the increase are staff salary and welfare benefits, debt for the Core West parking structure, and two new parking areas, capital reserves for future planning also needs to be created. The representative noted that there are also small influences like the shuttle service and bike shuttle program, but suggested that these are relatively trivial in terms of the overall program and reason for the fee increases.

The proposal was put forward in two parts, a list of assumptions about the program, and a list of increases proposed. If approved, most of the permits will go up 5% per year, some additional fees will go up more than 5%. The CFW representative suggested to the ACCTP that the campus should adopt not having increases that are greater than faculty/staff salary increases as a guiding principle. The CFW representative stated that the Vice Chancellor of Business and Administrative Services (VCBAS) Sarah Latham verbally agreed to this in meeting. The representative noted that right now, the guiding principles of Transportation and Parking Services (TAPS) focus on fiscal stability. The CFW representatives to the committee have requested that service and safety also be included. Members noted that fiscal and traffic concerns are hard wired in due to the Long Range Development Plan (LRDP), but faculty welfare is not and should be included. A CFW member suggested that the committee could create additional guidelines to be included. The CFW representative expressed that although budget information is shared in detail during ACCTP meetings, more focus should be placed on program costs and costs to employees.

UC Retirement Update

Due to time restraints, this discussion was tabled until the next CFW meeting.

TAPS Fee 3-Year Fee and Fare Proposal

CFW and the Committee on Planning and Budget (CPB) have been asked to review and comment on a Transportation and Parking Services (TAPS) proposal of a three-year series of annual increases to most parking fees and programs starting in July 2016 and continuing through June 2019. Members reviewed the proposal documents as well as the Senate committee responses from the initial TAPS proposal for three year increases in May 2015, which was retracted by VC Latham due to feedback concerns regarding lack of transparency of budget and a lack of illustrated need for the proposed increases.

Chair Zachos informed CFW members that when the proposal was sent to the Senate for review, it contained only a spreadsheet and did not include a proposal narrative or summary. The Academic Senate requested that this additional information be provided. Chair Zachos noted that the narrative appears to be the same exact narrative that was provided last year with the original proposal, although the assumptions document is new. Since the narrative came in late, CFW recognized that the ACCTP did not have the narrative when they were considering their endorsement. Chair Zachos suggested that this is not entirely a reason not to support the proposal, but is a clear sign that the established process is not being followed. Chair Zachos did note that there appears to be more transparency with regards to the budget this time around due to the new ACCTP, and the new TAPS guiding principles.

Members recognized that the proposal only talks about revenue and does not at all include any details about expenses, which should be included in such a proposal. CFW had to turn to previous spreadsheets provided to the committee to assist members in their consideration of the proposal. Members noted that the rate increases appear to be mainly driven by the costs associated with new parking structures. The CFW ACCTP rep shared some additional contextual information that was provided at the ACCTP meetings, about TPAS moving towards making the Bike Shuttle program only 50% subsidized like other subsidized programs, and that TAPS believes that parking fee income/revenue goes up when gas prices go down.

CFW members agree that they would have liked to have the proposal say that there is some error of analysis and a window of uncertainty about expected revenue needed. Conversely, the ACCTP and TAPS appears to model an assumption, but does not at all consider the high or low end of that assumption. The CFW ACCTP Representative reported that TAPS wants to get this three year plan in place as soon as possible in order to prevent a crisis situation, and then plans on considering a long term plan.

Members considered a committee response and determined that in order to avoid further accrual of debt, CFW will approve the proposal with three conditions. First, the effects of the proposed increases (~5%/year) may actually have a negative impact on revenue and increase the deficit, and may need to be thoroughly researched before the fare and fee increases are placed into effect. The committee will recommend that a survey or other form of formal analysis be conducted before the proposed fee and fare increases are implemented in order to prevent further (and unintentional) injury to the budget. Second, the committee will point out that the list of guiding principles generated by TAPS this year focuses solely on finances and budgetary transparency and needs to include aspects of service or employee welfare or needs to guide decisions regarding TAPS programs, fares and fees, etc. Third, CFW will recommend that TAPS continue to look to internal improvements to remedy and improve the unit's budget before future increases to fares and fees are proposed.

In addition, CFW will note that although the Bike Shuttle is a small fraction of the budget, the committee feels strongly that the 50% subsidy goal applied to all other TAPS sustainability programs should also be applied to the Bike Shuttle. Further, in order to determine whether there is a way to reduce costs by increase campus shuttle service and decreasing Metro service stops, CFW will recommend that a cost benefit analysis be conducted on the effect of decreasing the number of Metro stops on campus and increasing campus shuttle services to accommodate.

Overall, the committee is disappointed to see that little has changed from the original fare and fee increase proposed in May 2015, which was criticized by the Academic Senate and that recommendations for improvements made by the Senate were ignored. However, in an effort to move forward and prevent further increase of the TAPS deficit, CFW will approve the proposed 2016-17 fare and fee increases with the conditions noted and looks forward to a collaboration

between TAPS, the administration, and the Academic Senate to make improvements to the fee and fare proposal review process, TAPS guiding principles, and sustainability of TAPS program and budget.