

Minutes
COMMITTEE ON FACULTY WELFARE
December 3, 2015
61 Kerr

Present: Shelly Grabe, Grant McGuire, Ricardo Sanfelice, James Zachos (Chair), Jaden Silva-Espinoza (ASO)

Absent: Ted Holman, Andrew Matthews, Shelly Errington (*ex officio*)

Chair Announcements

Chair Zachos reported that new members will be joining CFW. Nina Treadwell (Music) will be joining for winter and spring quarter, Melissa Gwyn (ARTS) will serve in winter, and Karen Bassi will serve in Spring 2016.

Update from the December 1, 2015 meeting of the Senate Executive Committee (SEC)

Much of the SEC discussion focused on graduate growth. The most recent data shows that growth has been stagnant at 9% of enrollment. CFW Members raised concerns about bringing in more graduate students without the appropriate resources, and the lack of jobs available for PhD graduates. Chair Zachos suggested that the campus may be up against a financial wall. UC Berkeley has a \$250k endowment just for graduate fellowships. If every department had endowed fellowships, it would be easier to increase graduate student enrollments. CFW members question whether UCSC will be able to get to the 12% goal without additional resources.

Additional discussion topics included “Challenge 45”, which is an initiative motivated by the state legislatures desire to graduate students earlier, for departments to reconsider their requirements for graduation in order to reduce time to degree. CEP Chair Tamkun noted that this is not a requirement and departments are being encouraged to do so, but not mandated. CFW members questioned why less than 4 years to degree would be favorable, and what the reasoning is behind a desire for a faster degree.

Chair Brenneis reported to SEC from the November 23, 2015 Academic Council meeting. The task force report on the proposed third tier of retirement should be completed and sent to President Napolitano in the next week. The report should be made available to the Senate for review around January 15th and committees will be provided a short window to weigh in. CFW will want to formulate a response on the potential effects on faculty welfare.

SEC members discussed the January 2015 UCSC Report on Faculty Salary Equity. There will be some coordination on the topic between CFW, and the committees on Affirmative Action and Diversity (CAAD), and Academic Personnel (CAP). Chair Zachos will meet with the chairs of these committees in January and begin a dialogue of how to move forward with accessing the outcome, what was missing from the study, and what the Senate would like to see done to address apparent issues.

Faculty Salaries and the UCSC Merit Boost Plan

Although still awaiting comparative data from UCOP, CFW has received 2014 campus salary data from the Academic Personnel Office, CFW is expected to provide a faculty salary update at the winter Senate meeting, for which the agenda call deadline is January, 29, 2015.

The Merit Boost Plan or “special salary practice” intended to increase median faculty salary at UCSC to the systemwide (9-campus) median, has been extended through 2015-16 and will likely be re-evaluated and possibly revised for 2016-17. The practice allows advancement to be coupled with a greater range of possible salary increases and accelerations than was possible in the past. Last year’s CFW analysis showed that the plan had an initial significant positive effect, but then showed a potential pause in trend, when compared to previous years.

Members reviewed last year’s faculty salary analysis report (February 5, 2015), and the committee’s May Senate report on Salaries (May 15, 2015,) and determined next steps for this year’s analysis and the formulation of recommendations for improvements to the Merit Boost Plan in 2016-17.

In the past, CFW has done a salary comparison with other campuses, which involves looking at databases from the Office of the President (UCOP) as well as the UCSC Academic Personnel Office (APO). Chair Zachos reported that the University Committee on Faculty Welfare (UCFW) does not conduct faculty salary analysis and each campus must do the analysis on their own. Chair Zachos noted that CFW will want to look for signs of salary compression and whether there has been a change in the distribution of salaries over the years due to the need to hire in a competitive market. CFW’s analysis last year showed that off-scale amounts are relatively flat across ranks, and certain ranks had higher off-scale salaries than more senior ranks. Chair Zachos assumes that this is a recent issue that may have been caused by the Merit Boost Plan and the need to compete with the outside market when hiring. Members noted that these higher off-scale amounts may be necessary to offset the loss of retirement benefits and should be looked at in terms of total remuneration and not just salary.

CFW questioned whether the campus keeps data on retention offers made, versus offers accepted. Such information may show if there is a problem with UCSC salaries and total remuneration. CFW may put in a request for this data this year.

Members question whether all departments and divisions are treating the Merit Boost Plan the same in their faculty personnel review files. Members further noted that there appears to be confusion on campus regarding the Plan and that training for department chairs and divisional deans is needed, as well as transparency of hiring salaries across the divisions. CFW noted that CAP has requested that hiring salaries be provided by the CP/EVC to the deans.

Members also consider whether the academic review process on campus may have contributed to the overall salaries on campus being lower than our sister campuses. Chair Zachos noted that when

the Merit Boost was introduced, some discussions considered whether having all files go through divisional CAP committees might allow salaries to adjust properly according to the market.

There has been talk of a systemwide program like the Merit Boost to be introduced on all campuses to assist with UC's deteriorating total remuneration. However, CFW members noted that a systemwide program will not assist campuses with lower salaries in their goal of moving closer to the UC salary median.

Rate of promotion could also be a concern at UCSC. Members agreed that looking at promotion growth relative to time since degree and time of hire may reveal patterns. However, Chair Zachos feels that most of the issue comes back to off-scale.

The data that CFW requested and received from APO includes campus data from three years only. In order to determine if there are patterns or further effects of the Merit Boost Plan, members agree that data from all ten years should be requested. Members determined two goals for their analysis: 1) to look at the UC data and determine where UCSC is in relation to the UC median. CFW will want to determine if we are getting closer to the median goal, and if we are now in the 2nd tier of salaries with other coastal campuses such as UC Santa Barbara, and UC San Diego, with similar costs of living; and 2) look at the campus data to determine how the Merit Boost Plan is affecting salaries and see if previous concerns and /or trends are still occurring, or if they have been remedied. CFW will also want to create a set of recommendations for the Merit Boost Plan moving forward.

The CFW Faculty Salary Subcommittee will do the initial analysis of the salary data prior to the first CFW meeting of the winter quarter.

Employee Housing Quarterly Report

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. Last year's CFW committee assessed the effectiveness of the program and determined that overall, the program is functioning as planned. In addition, the committee worked extensively with Colleges, Housing, and Educational Services (CHES) Director Steven Houser to ensure that future proposals for cost increases to the program contain sufficient information to help reviewers evaluate the Housing Program as a whole. The Housing Office provides quarterly updates on the Employee Housing Program, which are shared with CFW and the Committee on Planning and Budget.

Members reviewed the latest quarterly report. Chair Zachos noted that one of CFW's annual responsibilities is to look at the housing inventory, wait lists (supply and demand), and financials, and make recommendations for moving forward. CFW is concerned when there are no available units for purchase. The latest report shows that there are now 4-5 available units. Turn over slows

down when the housing market is high. Chair Zachos noted that the wait lists appear to be getting longer in the last year or two.

Members discussed the Re-Pricing program, which was created to set appropriate costs for units being turned over. Typically, older units are renovated and repriced at a set level. The Re-Pricing program covers renovation costs and the residual goes into a fund initially slated for loans to get people into housing, or to expand housing inventory. These funds have been accumulating and are at roughly \$1 million. The net proceed per unit, depending on the age and how long owned, is roughly \$12k.

Last year, CFW worked with Colleges, Housing, and Educational Services (CHES) Director Steve Houser to make the Re-Pricing program more transparent and make the formula for setting the new prices more clear. Chair Zachos noted that in years passed, the Consumer Price Index (CSI) would go down, but Re-Pricing costs went up. CFW questioned the justification for this and worked with Houser to ensure that all variables involved in the Re-Pricing formula are clearly stated in any proposals for cost increases to the program, of which CFW reviews and provides comment to the CP/EVC.

Chair Zachos suggested that CFW will always want to ensure that the campus pricing remains affordable for Assistant Professors. The Assistant Professor salary and potential mortgage payments are included in the Re-Pricing formula. Although a concern was made that even on-campus units are not affordable to Assistant Professors with one-paycheck families. The housing program's goal is be sustainable and generate additional funds for future building, etc. If these extra funds are not being used for the Low Interest Option Supplemental Home Loan Program (LIO-SHLP) or to increase housing inventory if the current inventory is adequate, CFW will want to weigh in on what these funds should be used for. Chair Zachos noted that purchasing on campus is a conservative investment. Still, he does not know of any fellow faculty who have sold their on campus unit and did not make a profit.

CFW may want to look at the affordability formula again with Steve Houser and ask him to run some mock scenarios with Assist Professor salaries to ensure that the Re-Pricing costs are truly affordable. Chair Zachos questioned whether there may be a need to increase the inventory of smaller units (2 bedroom) on campus to accommodate junior faculty and not 4 bedroom Ranch View Terrace (RVT) homes. Members noted that a survey may be needed to assess whether owners of smaller units would want to move into larger units if RVT Phase 2 was built.

The campus expects a 30% faculty turnover in the 7-10 years and with faculty staying in their on campus units past retirement, members can see a need for more housing on campus. CFW considered the possible need for short term housing. Chair Zachos reported that the campus use to have short term condos on campus, but these were sold. CFW could petition for a recommended number of short term units in order to keep some inventory open for new faculty, particularly as

the rental market is so high right now. Considerations of incentives to move off campus and open up units will need to be addressed.