

**Minutes**  
**COMMITTEE ON FACULTY WELFARE**  
**Meeting of October 20, 2016**

Present: Vilashini Cooppan, Melissa Gwyn, Ted Holman, Stefano Profumo (Chair), Shelly Errington (*ex officio*), Jaden Silva-Espinoza (ASO)

Absent: Grant McGuire, Ricardo Sanfelice (with notice)

**Chair Announcements and Committee Business**

Chair Profumo welcomed new members Cooppan and Gwyn, and provided the committee with an update from the Senate Executive Meeting (SEC) on October 11, 2016. The SEC meeting began with a meeting with the Chancellor and his cabinet. The group received an update from Vice Chancellor of Business and Administrative Services (VCBAS) Sarah Latham on parking issues and “P3” building funding model negotiations. The group discussed the issue of and the desire to include childcare and the second phase of Ranch View Terrace as projects under the P3 plan. Chair Profumo will meet one on one with VCBAS in November for more details regarding P3. Chair Profumo noted that the VCBAS appears to be in agreement with CFW that childcare and employee housing should be included under the new Office of the President (UCOP) building funding model.

Chair Profumo additionally provided an update from the University Committee on Faculty Welfare (UCFW) meeting of October 14, 2016. UCFW was informed that seven proposals have been given to the Regents from the office of loans programs and they all look good. Fixed rate loans and fixed rates on Mortgage Origination Program (MOP) loans are being considered. Chair Profumo expressed that it is important for faculty to have access to these fixed rates.

The Health Care Task Force (HCTF) provided UCFW with an update. The upcoming 2017 Open Enrollment for health care plans includes a maximum \$12/month increase, which is good news for employees. The University will be placing 4% more into healthcare. As this was a low year for medical inflation, the plans are more economical. A new supplemental disability plan will also be offered. For those already enrolled in supplemental disability, there may be a default enrollment, employees should pay close attention to their enrollments.

There was an update on religiously based providers, which does not directly affect UC Santa Cruz employees. Merced has been having issues, which are being monitored and the University is determining what should be done to address these issues. CFW members noted that Kaiser Permanente will now be an option for UC Santa Cruz employees. There are apparently clinics in Scotts Valley, Santa Cruz, and Watsonville, but hospital care may be located in Watsonville of over the hill.

Chair Profumo reported that the University is onboard to with extending the same benefits to same-sex domestic partners, as are provided to opposite-sex domestic partners. The estimated cost of extending this benefit \$21 million/year, but Chair Profumo pointed out that this is a small amount out of the overall \$2 billion dollar benefits program. Plans for rolling out the program have not yet been determined, but the University will be moving forward.

UCFW discussed the campus Healthcare Facilitator program. UCFW members noticed that there is an issue of data collection, which is now more anecdotal and therefore difficult to show that the

program works. Some questioned its necessity, but the conclusion was that it is a necessary program on campuses.

As for the new UC retirement choices for new employees, UCFW reported that there is a 50/50 % split of enrollees between the pension option and the savings choice. Many have not yet enrolled and will therefore end up in the default option. There is a 90 minimum wait period before new employees can enroll in a retirement option.

Chair Profumo informed CFW that there are several academic policies coming down the line. In addition, the UC system is considering a standard exit survey for faculty leaving the campus in order to shed light on retention issues. UCFW looked at a sample report from a third party service that originated at Harvard. Chair Profumo suggested that such data could be useful to UCSC and the campus CFW.

A consultation with Chief Investment Officer, Jagdeep Singh Bachher, highlighted that UC is moving from active to more passive management of assets. Currently UC has 60% active management, and they would like to move to 20% active on the notion that passive management is just as good and is cheaper. Members noted that UC investments have been assumed to have a 7% return rate, which UCSC CFW previously determined to be highly optimistic. In previous years, CFW determined that an appropriate adjustment is necessary percent point makes a large difference in projections. Chair Profumo reported that Chief Investment Officer Singh Bachher noted that this high level of expected return will be lowered.

UCFW also discussed the proposed revisions to APM 190. The general consensus was that the revisions and changes were positive for faculty in that money will be put into a 403B.

### **Consideration of the draft minutes from the meeting of September 22, 2016**

The minutes were approved.

### **Committee Topical Assignments – continued**

Members volunteered to monitor specific faculty welfare issues throughout the academic year and report back to the full committee. Member Gwyn volunteered to represent CFW on the Advisory Committee for Campus Transportation and Parking (ACCTP). Chair Profumo will oversee the topics of salaries, housing, and childcare, and would like to explore tuition remission for faculty dependents.

CFW briefly considered the possibility of including tuition remission as an option in retention cases. However, the committee concluded that this might further encourage faculty to seek outside offers and appear to punish those who do not seek outside offers. Members expressed concerns about campus morale in a culture where those who negotiate offers get more privileges.

The committee will additionally work on creating a list of “Top 5 Faculty Welfare Priorities” for the incoming Campus Provost and Executive Vice Chancellor (CP/EVC). The committee may look to the Senate Executive Committee and Senate Leadership for assistance, as well as to provide historical context for some issues that may appear on the list.

**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. On November 3, 2016 CFW will receive a general overview of campus employee housing from Director of Capital Planning and Employee Housing Steve Houser, and Staff and Faculty Housing Manager John Thompson.

During the consultation, CFW would like to discuss the materials that are included in the annual Repricing Program Proposal. Members noted that last year, CFW requested a spreadsheet that explains the logic for any proposed increase, which was not included in the last proposal packet. CFW would like to ensure that the committee and Director Houser on the same page. The committee looks forward to an overall tutorial on the Repricing Program and would like to know how the comparison to the outside market is done in order to determine whether or not it is reasonable.

Chair Profumo noted that during the recent SEC meeting, VCBAS Latham appeared interested in exploring other sites for the second phase of Ranch View Terrace (RVT2) homes. Members noted that the building of the first phase resulted in a lawsuit that cost the campus roughly \$4 million. This debt, if placed on the price of new units could make the homes unaffordable, even if they could be built under the new P3 funding model. Members noted that a redesign of RVT2 may be needed.

Members discussed the use of housing allowances on campus and noted that how the allowances are used varies greatly by division. Last year, Campus Provost and Executive Vice Chancellor Alison Galloway stated that she would look into how the allowances and start-up funds are being used in each division and report back to the committee, but CFW has not yet received a report. CFW may consider this as one of the top five priorities for the incoming CP/EVC.

**Systemwide Review, APM 015, 016, and Bylaw 336**

CFW has been invited to comment on proposed revisions to the Academic Personnel Manual (APM) Section 015, The Faculty Code of Conduct, and 016, University Policy on Faculty Conduct and the Administration of Discipline, as well as proposed revisions to Systemwide Senate Bylaw 336 Governing Privileges and Tenure Hearings. Chair Profumo reported that UCFW reviewed the proposed revisions and found no issues. CFW noted that the majority of edits appear to be small and innocuous changes to timelines. Therefore, the committee approves of the proposed revisions.