

MINUTES
COMMITTEE ON FACULTY WELFARE
Meeting of April 6, 2017

Present: Ted Holman, Grant McGuire, Stefano Profumo (Chair), Ricardo Sanfelice, Jaden Silva-Espinoza (ASO)

Absent: Vilashini Cooppan, Hiroshi Fukurai, Tesla Jeltema (with notices), Shelly Errington (*ex officio*) (with notice)

Chair Announcements and Committee Business

Interim CP/EVC Pre-Consultation

Members considered talking points and questions for the meeting's consultation with Interim CP/EVC (ICP/EVC) Herbie Lee. Members agreed to focus the consultation on salary transparency, housing allowances, the campus employee child care fund, and the Special Salary Practice. Members would like to confirm that the \$730k in campus funds set aside for employee childcare is still in reserves, and would like to know if employee childcare is a priority for the ICP/EVC and the Chancellor, and whether the ICP/EVC is willing to continue contributing to this fund.

Special Salary Practice Update

Chair Profumo provided the committee with an update on the committee's faculty salary analysis in relation to the Special Salary Practice (or "Merit Boost Program") and the recommendation of divisional deans to modify the "Option 1" augmentation of the practice to remove the G1 (greater than normal increase in off-scale.) Chair Profumo noted that he was personally in favor of this recommendation.

Members looked at a graph based on the overall effect of the program, which emphasized that without the Special Salary Practice, UCSC salaries would lag at all ranks by more than 1-2% when compared to the UC median trend. When cost of living is included in the analysis, the UCSC median could lag up to 10%. In the case of the 90 percentile (top salaries at each rank and step), the lag can be 10-15%. Chair Profumo suggested that the highest performing faculty are paying a penalty of 10-15% at all ranks for being employed at UCSC. The BEE (Engineering and Economics) pay scale is even more extreme with a 20% when cost of living is included in the analysis.

CFW would like to know the top 3 reasons why faculty choose to leave UCSC in order to determine if salary is a factor and if it can be remedied by a specific augmentation to the current salary program and will inquire with the ICP/EVC. Chair Profumo would like to provide a

summary of CFW's salary analysis to the ICP/EVC and discuss cost of living. Chair Profumo would also like to discuss a possible revision of the Special Salary Practice that rewards real merit in order to retain high performing faculty in the 75-90 percentile. Members noted that CFW has been advocating for faculty salaries, childcare, and housing for years and the recent CFW survey of Senate faculty on faculty welfare priorities supports this agenda. Further, members noted that unlike the other topics, faculty salary affects all faculty, and therefore should be a top priority for the campus.

Update from the UCFW Meetings of March 10, 2017

Discussion postponed.

Update from the ACCTP meeting of March 14, 2017

The CFW representative on the Advisory Committee on Campus Transportation and Parking (ACCTP) did not attend the meeting and could not provide members with an update.

Special Salary Practice-Take Two

Interim CP/EVC Lee responded to the Senate's review on proposed changes to the UCSC Special Salary Practice (SSP). The Senate response contested that the SSP has accomplished its original goal of bringing the UCSC faculty salary median to that of its 9 sister campuses and further stated that the amount of projected savings from altering the program is minimal and not worth the risk of reversing progress made to date through the program. The Senate thereby recommended that no changes be made to the current Special Salary Practice at this time.

The Interim CP/EVC responded that the ongoing costs of the SSP are unsustainable in light of the many campus priorities that remain unfunded. As mentioned, divisional deans have suggested a modification of the original Option 1 that removes the G1. Interim CP/EVC Lee requested that the Senate weigh in on the various modifications proposed. Members deliberated whether his response and/or the suggested modification to Option 1 satisfy the concerns raised by the Senate in its original response to the proposed changes.

Chair Profumo, who supported the deans' recommendation, suggested that any savings from removing the G1 option should be used to merit the top percentiles. However, other members suggested that the deans' version of Option 1 is still not acceptable and will provide even less salary to option, particularly with G1. Chair Profumo then agreed that the deans' proposal was not optimal.

Members agreed that the current options do not address the concerns raised by the Senate in its original response. Further, members agreed that changes to the Special Salary Plan should not be made without Senate support.

Faculty Salaries-Subcommittee Update

This discussion was postponed until the next committee meeting.

Consultation-Interim CP/EVC Herbert Lee

CFW consulted with Interim Campus Provost and Executive Vice Chancellor (ICP/EVC) Herbie Lee on faculty salary transparency, housing allowances, the campus employee childcare fund, and the Special Salary Practice.

Salary Transparency

In order to increase salary transparency on campus and address perceived inequities, CFW had previously requested that divisional deans and department chairs be provided with quarterly reports on the starting salaries of new hires, including housing allowances. CFW made this request as the committee recognized that the department chairs are the ones who commonly do the searches. ICP/EVC Lee suggested that it makes the most sense to provide the information to divisional deans and encourage them to share it with department chairs. When asked if best practices could be created regarding housing allowances, ICP/EVC Lee stated that the administration will be looking into the use and distribution of housing allowances in summer 2017.

Childcare

When asked if the \$730,000 in campus reserves set aside for employee childcare still existed, ICP/EVC Lee confirmed that the money is still being set aside. Members noted that they would like to have “employee childcare” as a specified option for donors during pledge drives and annual donor campaigns.

When the question of how to build a childcare facility under the new P3 building funding model was introduced, ICP/EVC Lee suggested that there needs to be a campus investment in order for the model to work. He insisted that “this is our opportunity” to make employee childcare happen. ICP/EVC Lee noted that there may be set up costs for the campus with regard to infrastructure, etc.

Special Salary Practice

When asked about the urgency of making augmentations to the current Special Salary Practice, ICP/EVC Lee noted that the call for next year’s review files will go out on May 1, 2017 and the SSP should be set by that date. The parties looked at graphs of CFW’s most recent salary analysis booth systemwide, and specifically for UCSC, both with and pre-Merit Boost Program/Special Salary Practice. Chair Profumo noted that without the SSP, UCSC would lag in terms of faculty salary median and suggested that the program keeps the campus on track with the other salary growth programs systemwide.

ICP/EVC Lee stated that he has a different perspective regarding the plan, suggesting that the campus salary median has moved from the bottom of the UC average, to the middle, and suggested that there are more nuances and different perspectives based on how one is looking at the data. Chair Profumo brought the focus to cost of living stating that when department chairs perform searches, cost of living is a primary concern. When cost of living is included in the analysis, UCSC lags behind, and if this is what is being looked at when making offers, then it should be considered as a variable. Chair Profumo further noted that for top earners at each rank, the lag ranged from 10-20%. ICP/EVC Lee suggested that the lag had nothing to do with the Merit Boost Program/Special Salary Program, but was due to retention offers.

When a suggestion was made that retention actions happen because there is no proper reward mechanism in place, ICP/EVC Lee suggested that an Office of the President (OP) systemwide comparison suggested that UCSC retentions are similar to those on other campuses. When noted that CFW would like information from the exit surveys being conducted on campus in order to get a read on how much of the issue lies with salaries and cost of living, ICP/EVC Lee suggested that a perk to working at UCSC is that faculty “get to live in Santa Cruz.” CFW members noted that at a certain point, the location perk no longer matters.

An anecdotal story was shared about a recent hire that could not afford to buy a house even during the real estate market downturn. A suggestion was made that if the campus cannot hire faculty due to salaries and cost of living, the quality of UCSC will go down, although members recognized that there is a balancing act of salaries and other issues. ICP/EVC Lee commented that all issues are important and that the campus has put money into faculty with new FTE and the Merit Boost/SSP. He noted further that faculty are a priority and suggested that the campus retains the majority of retention actions. Members noted that if faculty were happy, they would be less likely to pursue retention actions. Members also noted that some faculty are unable to pursue outside offers due to family, etc., creating an inequity on campus. ICP/EVC Lee noted that there were discretionary increases in salary on the campus in the past, but they received push back.

Chair Profumo noted that retention actions may be costing the campus more than the Special Salary Practice and suggested that rewarding the top percentile would be more warranted than scaling down the whole program. ICP/EVC Lee stated that due to current budget cuts, any savings to the program would not go anywhere else (e.g. award high performers).

When asked if the program could keep the same salary tiers, but be made more competitive with harder criteria, ICP/EVC Lee suggested that the CFW speak with the Committee on the Academic Personnel (CAP) and suggested that CAP is moving in the opposite direction. ICP/EVC Lee emphasized that for each review, reviews are only to work with and based their recommendations on the information provided in the file. When asked if the program could be geared more towards accelerations, ICP/EVC Lee suggested that the divisional deans and incoming CP/EVC would not be keen to do so. Lee further emphasized that the program is a Special Salary Program, not a “Merit Boost” even though it is based on merit. Former CP/EVC Galloway never committed to more than 3 years of the program, and ICP/EVC Lee suggested that the proposed augmentations are a way to attempt to continue the program amidst budget issues. When Chair Profumo suggested that the program should focus more on merit and perhaps eliminate the G1 and focus more on A1 accelerations, ICP/EVC suggested that the committee would be welcome to recommend such in their response.

When members emphasized that the campus cannot get rid of the Special Salary Practice, ICP/EVC agreed, “No we can’t get rid of it, if I can help it.”

Exit Surveys

Prior to the consultation, CFW had requested information on exit surveys and or failed retention actions from ICP/EVC Lee. Lee noted that he does not have data on exits or failed retention actions, but said that the majority of the departures, salary and jobs for partners are the dominant

issues. When members pointed out that CFW has been working on a Partner/Hire Contact List and had proposed the resource tool to former CP/EVC Galloway, ICP/EVC noted that the administration had some concerns about how to keep the list “living”. When a suggestion was made that the Academic Personnel Office manage the resource, ICP/EVC shook his head “no”, and said that they didn’t have the staffing flexibility right now and noted that they didn’t think it would work long term. When asked how the issue of partner hire should be addressed, ICP/EVC Lee suggested that the campus succeeds with most of its retention issues and stated that he didn’t have a better idea. A CFW member suggested that the campus should then try the Partner Hire Contact List option. ICP/EVC Lee suggested that if CFW could prove that the list works, then the administration may be more interested.

P3 and Employee Childcare

ICP/EVC Lee stated that it is the administration’s goal to make employee childcare happen with during this “golden opportunity” with P3.

In terms of P3 for faculty housing, ICP/EVC suggested that the administration can get rid of and “manage” some of the debt on the books from the building of Ranch View Terrace Phase I (RVT1), but not all of it. When members noted that there is \$1 million in reserves for building through the Repricing Program, ICP/EVC said that he would speak with Vice Chancellor of Business and Administrative Services (VCBAS) Sarah Latham on the topic. When noted that VCBAS’s current priority appears to be increasing beds, and questioned whether employee childcare could be established as a priority for the campus, ICP/EVC said “yes”.

When asked if the ICP/EVC could continue to make contributions to the campus employee child care fund, ICP/EVC Lee suggested that with the current budget and the decision not to push out new budget cuts for the divisions next year, more contributions were unlikely. When asked if the administration was looking at administrative salaries for cost savings as well, ICP/EVC Lee stated that administrative salaries were directed by OP and further commented that faculty are likely to get 3% increase next year.

Post Consultation

Members debriefed from the consultation and agreed that the proposed changes to the Special Salary Practice seem to be due to the current budget shortage. Chair Profumo suggested that if a reduction of the program is made, it should be made in such a way that retains meritorious faculty. CFW members were in agreement that the committee does not want to rubber stamp their approval on proposed options that it does not support, noting that CFW’s preliminary salary analysis shows that UCSC is barely trailing the all UC campus salary median. The administrative position is that the UCSC campus is above the UC median, but Chair Profumo noted that this is not acknowledging the shifting sands due to similar special salary practices on other campuses. Chair Profumo added that the campus made significant progress catching up with the median during the first few years of the program, but noted that UCSC still trails behind at all ranks and steps.

Members agreed that the Special Salary Practice or “Merit Boost Program” is necessary in order to keep UCSC on par with salary growth at other campuses. In its response, CFW will note that if the campus must cut back, the UCSC median will slip below the all campus median. However, in order to prevent the loss of top performing faculty, the program should still award meritorious faculty. Noting that none of the proposed options address this concern, CFW does not support any of the three options provided.

