

May 24, 2011

Alison Galloway  
CP/EVC

**Re: CFW Response to CCTF Report**

Dear Alison,

The Committee on Faculty Welfare (CFW) would like to recognize the diligent work of the Child Care Task Force (CCTF). Overall, the report is clear, cogent, and—crucially—points to action. The task force obviously worked very hard on this project. The information about outside vendors is a good example and the appendices must have taken many hours to compile. The report seems very even handed in weighing the pros and cons of building on the campus, renovating off campus, and leasing. The report has also dealt with several difficult topics and attempted to consolidate different perspectives on these issues. The Child Care Task Force Report has the potential to become the foundational document, after amendments suggested below, to carry out all future discussions regarding childcare on campus for faculty and staff.

CFW would like to note that our committee was engaged in the CCTF meetings for a period of almost nine months from September 2010 to May 2011. Furthermore, CFW provided suggestions and inputs to CCTF intermittently. More recently, after a preliminary draft of the CCTF was circulated towards the end of February, CFW engaged with the CCTF Chair in a CFW meeting and then again more recently on May 9 with several CCTF members. CFW also invited comments from several senate faculty who have been involved with childcare advocacy. CFW wants to commend CCTF for engaging CFW throughout the discussion, its responsiveness, and wants to thank the senate faculty for providing comments and valuable insights in crafting this response.

It is unfortunate that UCSC is the only UC campus without campus-sponsored childcare for faculty and staff. Some campuses even have several different programs (e.g. four at UCD) that serve combinations of employees, students and the greater community. The Academic Senate has historically advocated for providing quality, affordable childcare to UCSC employees. This advocacy was emphasized through a Senate Resolution on Child Care on November 2009 when the only childcare for UCSC employees was shut down. In this context, it is encouraging that the CCTF has identified three possible financially viable solutions for providing childcare to its employees.

The solutions presented are: (i) building a childcare facility close to the base of the campus near faculty/staff housing, (ii) leasing and remodeling an off-campus location, and (iii) buying and remodeling an off-campus location within 2 miles of the campus. Equally important are the following recommendations: (i) Using an external third-party vendor to provide the childcare, (ii) keeping student and employee childcare facilities as separate, and (iii) eliminating any existing building(s) on campus as a potential childcare facility.

Of the three options, CFW currently considers the third option – buying and remodeling an off-campus location – as the most promising expecting the location to be chosen very close to the campus. This observation is in concurrence with the CPB recommendation. This third option allows UCSC to own a tangible asset and is one of the two options where it will be able to secure funds from UCOP as well. Nevertheless, there is not enough information in the CCTF report to conclude that this third option (or the other two) is indeed financially viable for the three stakeholders involved: UC faculty and staff, the third party vendor, and UCSC, and there are three corresponding questions to be addressed: (a) will the childcare be affordable? CFW has concerns that the childcare costs outlined will not be affordable for all faculty and employees, including junior faculty and staff particularly at the high end of the projected fees. (b) Will the third party vendor be willing to provide childcare services at the rate we need and to accommodate faculty needs? (c) Will the resources outlined, particularly the recurring costs, suffice to provide for affordable quality childcare?

Several members of CFW and CCTF met on May 9, 2011 to discuss these concerns. At that productive meeting, CFW emphasized that some additional, specific information (listed below) is *critical* in formulating the final CFW recommendation. It is our understanding that CCTF will be able to provide the requested information soon. CFW believes that with these additions, the report may provide a strong foundation for all future dialogues between all stakeholders regarding employee childcare options on campus.

CFW requests following information and discussion of:

1. Sample financial and operating models of the third party vendor proposal for an off-campus location. This could be provided using the assumptions already used in the report (142 children facility, \$152,936 subsidy from UCSC (page 12), \$75,000 maximum vendor income). The operating model needs to show the expected fees for childcare for different age groups, perhaps specific numbers rather than the ranges listed in Appendix F. Since at least one of the vendors has expressed great interest and confidence in offering the childcare service in a financially viable manner, CFW believes that this information should be readily available. In this context, it will also be useful to explicitly state (if our assumption is correct) that the UCSC's recurring contribution of \$152,936 (page 12) will result in a subsidy of approximately \$90 per month/per child if it is dispersed equally.
2. The financial model/operating statement of the Bright Horizons childcare operations at UCD; details should include income and expenditure statement (including fee structure for various age groups and any state sources or UC Davis subsidy), ownership of the facility, and how the facility was paid for (buy/lease/financing model). This request underlines the fact that of all the childcare facilities operating at other UC campuses, this facility seems to mirror closest the recommendation by the CCTF report. Having further information about this similar operation will be very useful.
3. In contrast to most of the report, the information on the childcare facilities operating at other UC campuses provided in Appendix C and under separate cover (financial data) is not very clear. The main source of confusion arises due to the aggregation of numbers from several childcare centers operating at each of these campuses. We request that CCTF amends Appendix C to include the following information for each of the child care facilities operating at other UC Campuses:

- A. Name of the campus
  - B. Location of the facility: on campus or off-campus
  - C. Ownership of the facility: Owned by UC or vendor or leased
  - D. UC-operated or vendor-operated
  - E. If vendor-operated, name of vendor
  - F. Number of faculty children
  - G. Number of staff children
  - H. Number of student children
  - I. Number of outside community children
  - J. Total number of children
- We observe that current appendix C has the information A, F, G, I, and J. Please note that this request does not include any financial information and should be readily available. This information will also be quite helpful in contextualizing the major recommendations (listed in paragraph 4 of this letter).

In addition, CFW makes the following recommendations:

- 4. The first tasks of the executive sponsor, when established, should be to engage with the Senate to assess the affordability of the high quality childcare, and to determine the financing for the project – both one time cost and recurring commitment (described in part iii on page 3 of the Executive Summary in the CCTF report) as well as manage the implementation of the short term solution(s) which may be approved.
- 5. CFW notes that the need for employee childcare was established in a survey in 2004. Any future survey should be designed in consultation with the Senate and focus on identifying affordability. An outcome of this goal could be the formulation of a sliding scale rate structure. If issues of affordability become problematic in the establishment of a new facility, CFW recommends that a modular rate structure be developed to protect the viability of this service at some baseline for faculty and staff at low income levels.
- 6. CFW recommends that the reasons for eliminating on-campus sites be included in the report (e.g. Granary, ARC). Was consideration given to separate locations for infants/toddlers and older children? Again, was this option rejected? In general, although the CCTF report concludes upon the elimination of existing campus building(s) as potential childcare facilities, the arguments for eliminating them are not readily transparent. CFW requests that these reasons be expanded upon in Appendix B and believes that this will be helpful because of the long history this campus has with the consideration of childcare, and potential locations. If not, each stakeholder group will bring this issue up if not fully expanded upon. Our requests would make the CCTF report logic and recommendations more transparent as well as informing (and forestalling additional questions from) future readers.
- 7. Even though CFW concurs with the CCTF recommendation that the management of a vendor contract be located within Business and Administrative Services (BASS), an oversight group for childcare should also be established consisting of CFW representative(s), staff rep(s), BASS rep(s), parent rep(s), educational researcher rep(s), and vendor rep(s) to inform the programming relationship with the vendor.
- 8. CFW strongly recommends moving forward rapidly with the interim solution voucher reimbursement at least until a UCSC childcare facility is established. The same campus

subsidy as identified for a childcare center (~\$153,000) could be repurposed on an interim basis for such a plan, without additional capital outlay for building, etc.

9. CFW recommends exploring further possibilities along the lines of other UC campuses. For instance, CFW understands that other campuses are rolling out different types of childcare in partnership with Bright Horizons, some with the assistance of vouchers. Apparently these campuses have overcome the challenges noted in the CCTF Report in Item 6 of Interim Solutions. We encourage the EVC to investigate the viability of a voucher system and partner with system-wide efforts to launch this option at our campus starting Fall 2011.

In summary, CFW requests that CCTF provides the additional information requested in this letter and amend the CCTF draft report accordingly. CFW applauds CCTF for putting together a draft report that is likely to form a foundation for moving ahead in providing quality and affordable childcare to UCSC employees in the long-term. CFW urges the EVC to develop and implement an interim voucher-based solution for providing childcare to its employees starting Fall 2011.

Sincerely,

*lsl*

Suresh Lodha, Chair  
Committee on Faculty Welfare

cc: Susan Gillman, Chair, Academic Senate  
Linda Kittle, Special Assistant to the CP/EVC  
Linda Rhoads, Special Projects Manager, CP/EVC Office  
Senate Executive Committee