

## **COMMITTEE ON FACULTY WELFARE**

### **Annual Report, 2007-08**

To the Academic Senate, Santa Cruz Division:

#### **Summary**

The Committee on Faculty Welfare (CFW) met every other week throughout the academic year. CFW has representatives that sit on the following campus advisory committees

- Transportation Advisory Committee (TAC)
- Campus Welfare Committee (CWC)
- Child Care Advisory Committee (CCAC)

The three main priorities for the Committee last year were salaries, housing and childcare and the past year has seen significant changes in all three areas. Last September the Regents approved the first year of a four-year plan for faculty salary increases designed to raise faculty salaries to market competitiveness and restore the rank and step system of faculty advancement at UC. However, this action by UC's Office of the President (UCOP) elicited concerns from CFW as to the salaries of UCSC in comparison to other campuses. A report has subsequently been produced by a campuswide Senate-Administration Task Force outlining this problem in more detail. In housing, the pressure on faculty needs has lessened somewhat due to construction of Ranch View Terrace (RVT) and the softening of the local real estate market. The key challenge of the campus now is to develop an Employee Master Housing Plan (EMHP) that will allow the campus to be more nimble so that future housing needs are met in a timely fashion. In childcare, the campus has made significant progress to address licensing concerns by hiring a new Director and changing its administrative structure. The next step for CFW will be to follow up on our recent report that lays out an Academic Vision plan to include a partnership in childcare between the division of Social Sciences and Student Affairs so that both financial and pedagogical concerns are improved.

#### **Faculty Salaries**

The year began with a system-wide raise of the UC step salaries, which was described as the first of four years of salary increases. Although a positive first step, the application of the raise resulted in many off-scale salaries at UCSC being absorbed due to their low amount. This resulted in certain faculty obtaining raises that were significantly greater than other faculty, based solely on whether they had off scale salaries and not on performance. UCB, for example, did not absorb the off-scale salaries, but reinstated them with campus funds. This was a very troubling development, which inspired the Senate Executive Committee (SEC) to form a salary subcommittee to examine faculty salaries at UCSC and how this issue of off-scale salary "compression" was dealt with at the other UC campuses. The chairs of CFW, the Committee on Academic Personnel (CAP), the Committee on Planning and Budget (CPB), and the Committee on Privilege and Tenure (CPT) sat on the subcommittee, which met throughout the academic year. The subcommittee determined that UCSC off-scales salaries were the lowest in the UC system, and recommended a report be immediately sent to the EVC. Based on the subcommittee's report and SEC's recommendation, a joint Senate-Administration Task Force on Faculty Salaries, with the CFW chair as a member, was established to work over the summer with the charge to "Examine current policies and practices, at all levels of the academic

personnel review, which affect faculty salaries and recommend modifications that ensure UCSC salaries are equitable relative to other UC campuses.” Based on these discussions, a report was filed and will be made public in the fall.

### **Housing**

CFW continues to be concerned with the high price of homes in the Santa Cruz area, especially relative to our salaries. The past year has seen a considerable shift in UCSC policy with housing allowances for starting faculty and subsidized loans (Low Interest Option –Supplemental Home Loan Program (LIO-SHLP)). The last item was partially funded by the re-pricing of campus housing inventory. The outcome of these actions has been a greater turnover in faculty housing on campus, which has freed up smaller, lower-priced homes for entering faculty. The re-pricing, which increased the cost of certain homes, was based on assurances from the administration that the housing costs of a moderately sized two-bedroom home would not exceed forty percent of an average Assistant Professor’s gross salary. Overall, this new strategy has worked well and the administration should be commended for these actions.

Two additional items were also discussed by CFW, a Campus Mortgage Origination Program (CMOP) loan for developing new faculty housing and a 501(c)3 Housing Plan. The CMOP loan was not supported by UCFW/UCOP and thus was not discussed further by CFW. The 501(c)3 was deemed a poor choice for UCSC since it would have less oversight from the Senate than is currently the case and would not be as large a financial advantage as was seen at UC Irvine.

A thorough analysis of the cost increases for RVT was conducted by Faculty Housing Director Steve Houser and the data presented to the Senate Chair, the Senate Vice-Chair, the chair of CFW, VC McGinty, and AVC Scott. In his analysis, Director Houser determined that while there was poor communication between the Senate and the Administration, there was no malfeasance and the developer is not making an above standard profit on RVT, Phase I.

Senate Vice Chair Lori Kletzer and CFW members met with the administration to develop the Employee Master Housing Plan (EMHP) plan, which will set up a framework for the campus to assess its housing needs. The scope for the EMHP will include:

1. Background on the existing Employee Housing Program, the Senate Resolution on Housing, the Employee Housing Access Policy.
2. Historical demand for housing.
3. Challenges of building homes on campus.
4. Strategic planning – assessing future demand and turnover, planning model for on-campus housing, off-campus, model for affordability.
5. Recommendations for physical delivery of units and their timing.

CFW recommends that the EMHP be annually assessed so that the campus can move forward quickly if changes need to be made, such as re-pricing our current housing stock or beginning a new housing development. It should be noted that the EMHP was on hold while legal actions related to the LRDP were resolved.

### **Early Education Services**

CFW has been for some time actively engaged in discussing the structure, budget, composition and mission of childcare at UCSC with various parties, including Chancellor George Blumenthal. CFW's attention was focused in the fall of 2007 on the immediate crisis posed by the possibility that the program's license might be revoked by the state. Student Affairs took immediate steps, which included retaining legal counsel, hiring a licensing consultant, various personnel decisions that included firing some staff and hiring new teachers, a new site coordinator for the Granary, increased staff training, physical improvements to the Granary site, parent forums and focus groups to improve communication, and some organizational streamlining. In particular, Student Affairs Vice Chancellor McGinty sought agreement from the Chancellor and Executive Vice Chancellor to hire a director for the program to replace the previously divided structure of leadership. As a result, Emili Willett was hired in January 2008, on a one-year contract.

As one can imagine, there were considerable obstacles to overcome during this reorganization process, and it was not a seamless operation. Even though more work needs to be done, there has been overall improvement in Early Education Services (EES) and it should be noted that the program's reorganization is still in process. Director Emili Willet has instituted new hiring procedures and job definitions, which should stabilize the program. It should also be noted that VC McGinty, who was plunged into a crisis whose origins predated her arrival, has repeatedly stated that she is willing to consider a range of options.

Due to this reorganization, a large increase in the cost for EES emerged which lead to a large budgetary deficit for the program. This ran counter to the governing assumption that childcare on campus should pay for itself. In addition, Student Affairs was concerned with the budget and how it served the different constituencies for childcare, i.e. students, staff and faculty, since the faculty/staff-student children ratios, achieved in 2007-2008, did not match the budgetary allowances. Student Affairs therefore stated that if the deficit continued, it would be forced reduce its allocation of funds to EES to reflect the new faculty/staff-student ratio.

Given this budgetary crisis and the fact that the campus has contributed less than \$30,000/year to EES from general funds, CFW determined it was time to rethink how EES is organized on campus. First and foremost, CFW believes that the campus should re-evaluate its \$30,000 contribution to EES and determine if more money would not be a prudent investment for the well-being of the faculty and staff. Second, the fact that there is no academic component in EES currently appears to be a lost opportunity to dramatically improve both the academic and financial health of EES. To this end, Professor Ray Gibbs lead the childcare subcommittee in initiating discussions with various faculty members in the Psychology and Education Departments to update a statement of principles and suggest means of concretely realizing such an academic partnership with EES. Professor Gibbs organized a meeting to brainstorm with psychology and education faculty, the result of which was "An Academic Vision for Childcare Education Services at UCSC." CCAC Chair Lucia Orlando, Psychology Chair Martin Chemers, Education Chair Rodney Ogawa, and Dean of Social Sciences Sheldon Kamieniecki have all provided letters in strong support for this Academic Vision Plan of childcare on campus.

CFW met with VC McGinty and EES Director Willet in the spring. Central concerns were the budget that took into consideration the newly implemented Child Care Access Policy (CCAP),

staffing, and the administrative home for EES. On the same day, CFW consulted with Chancellor Blumenthal on the "Academic Vision" statement, budget and development issues. Chancellor George Blumenthal expressed support, in spirit, for the Academic Vision Plan. Chancellor Blumenthal noted that letters of support from departments and the dean of social sciences would be helpful and these have been provided. CFW will consult with the Chancellor again in the fall and formulate an action plan.

Issues for CFW to continue to pursue in relations to EES include the following. First, the funding structure for EES needs to be rethought from the ground up. Development of a stable, secure, and appropriate funding structure should take into account the vital contributions that EES can make to the university community as a whole. The new funding model needs to take into account the true ratio of student/staff/faculty children as laid out in the CCAP, garner more funds from the general campus account to support employees and incorporate an EES-academic partnership, as outlined in the Academic Vision Plan, that can open up new funding resources, as well as generate more excitement for fund-raising, such as EES being included in capital campaign developed.

Second, CFW's Academic Vision Plan offers a fresh model for both the administrative and institutional location of EES within the university. Like UCSC's successful Center for Agroecology and Sustainable Food Systems, EES could become a semi-independent center under the umbrella of the Social Sciences Division, which would facilitate relations with the Psychology and Education departments. The Academic Vision Plan would free both EES and Student Affairs from competing priorities and allow EES to outgrow its origins as only childcare for students. CFW envisions that each sector of the university with an interest in EES could provide different, yet essential, resources to support the program and develop a campus program that would help the campus as a whole.

Third, the current home for the majority of the EES programs as well as its main office is located in Family Student Housing. This site is slated for major renovations in the near future, so the long-debated question of the physical location and structures for EES possesses an added urgency. Regardless of the administrative home, the Senate and the Administration will need to consult regarding all possible locations on and off campus for EES in the near future.

Fourth, communication and transparency in relation to the administration and operations of EES are of concern. Ongoing communication between CFW, CPB, and CCAC has been useful in coordinating information and ideas and VC McGinty has been open to regular consultations with CFW and the Senate. This issue should be further pursued in order to establish a sustainable model for EES at UCSC.

### **Transportation and Parking**

In 2006-07 TAPS launched an experimental policy granting to all holders of B parking permits (graduate students) access to A parking lots (faculty and staff). The rationale was that since graduate students pay the same as faculty for their parking permits, they should have access to the same lots. In 2007-08, TAPS conducted a "survey" that showed only marginal impact on utilization of some A lots, so the experimental B permit policy will continue for the time being. However, CFW should monitor TAPS continued assessment of utilization of B permits in A lots

since the situation may change if the percentage of graduate students increases as the campus hopes.

CFW has concerns over the loss of parking spaces, financed by student, staff and faculty parking fees, to various construction projects. The campus reimburses TAPS for these lost spaces; however, it is unclear if the amount is appropriate. Considering that the lost spaces are typically in inexpensive locations (i.e. flat land with no trees), it is unclear if the reimbursement is commensurate with the cost of building new spaces, which appear to the untrained eye to be more expensive (i.e. West Core Parking Structure). CFW should investigate this further and request more information on how the amount of reimbursement is calculated.

CFW raised concern about the increasing number of summer conferences and its impact on faculty parking. Conferences and events pay significant fees for temporary parking privileges, which help ease the ongoing fiscal strain in the TAPS budget, and thus help minimize increases in parking permit fees. This is of benefit to the parking program but it should be monitored so that there is not an excessive burden put on the permit holders that utilize these parking lots.

TAPS launched the ZipCar car-sharing program this year. This program makes available on campus several cars that can be rented via the web to members for a few hours or a few days. Members pay an application fee, an annual membership fee (waived for UC affiliates), and an hourly or daily rate to use the cars. The theory is that this will help reduce the number of cars, traffic, and the demand for parking on campus. The ZipCar locations do require parking spaces, but TAPS has taken care to utilize only metered spaces for this purpose so as not to further reduce available parking spaces. The ZipCar service brought to campus and environs by UCSC has become the most well-utilized and fastest-growing car-share program of any university in the nation.

TAPS tested a second bike shuttle pickup at the University Inn during spring quarter. The test proved very successful as ridership increased to a high level almost immediately. Larger bike racks are being added to the shuttles.

TAPS staff again reported the ongoing problem of students riding Metro Transit System buses to get across campus. UCSC shuttles remain crowded, but the Metro buses are needed for those commuting off campus. CFW representatives recommended changing the transportation culture of the campus by reaching out to staff responsible for orientation and request that they try to educate new students about alternative transportation and encourage them to walk or ride bicycles across campus, possibly thru a contest for the best possible routes. TAPS staff reacted positively to this idea and said they would look into it.

The UCSC shuttle service to Long Marine Lab is severely underutilized, with cost per passenger trip far higher than any other route on campus. The annual cost for this bus service is ~\$40K/year, while the ridership averages only seven people a day, total. As TAPS considers alternative solutions, CFW recommends that they met with faculty at Long Marine Lab and the Physical and Biological Sciences Division regarding this issue in order to determine a solution that corresponds best to the campus's sustainability transportation model.

CFW representatives also called TAPS' attention to the need for a pedestrian bridge at College 8, because of the foot traffic between Kresge/Porter and College 8/Oakes creates a significant traffic jam. TAPS staff agreed in principle on the need for a pedestrian overpass at College 8, but pointed out that in the current fiscal crisis it was unlikely that this would rise to the top of the list of priorities. CFW should revisit this issue again next year.

In an effort to discourage participation in the April 20 event on grounds of "public safety," the administration canceled bus service to campus. However, these plans interfered with faculty and grad student access to campus facilities and caused limited access and delays to faculty and staff that live on campus. CFW recommends that advance planning with all campus constituents for next year's "4/20" event start earlier, so a more effective plan be implemented.

TAPS continues to carry a very large budget deficit and no help appears to be forthcoming from either the Regents or the State (parking gets no state funds). It was not clear how long such steep deficits can be sustained or how a more sustainable budget might be achieved. TAPS staff and TAC members brainstormed on various budget scenarios, but no easy solution seems in sight. One CFW rep made a compelling case for looking into Fast Pass technology, which would reduce the need for TAPS staff, but no concrete plans have been implemented. The temporary parking permit fees were increased for the 08-09 academic year, in order to improve the TAPS budget, however, the fiscal crisis of the state means that an increase in faculty parking fees will possibly arise. Among the revenue-enhancing measures under consideration are advertising on transit vehicles. The TAPS staff have collected promising information on how this is done on other campuses. These issues will require continued vigilance by CFW in the future.

### **Benefits**

The possibility of resumption of contributions to the UC Retirement System (UCRS) has been raised in the past few years and it has now come to fruition due to increased expenditures and decreased revenues. The first year of contributions will not affect the net take home pay, since the UC Defined Contribution Plan fees will be redirected to the Define Benefit Plan. After the first year, deductions will affect the net pay of the faculty. This will be significant if the faculty concurrently lose the raises promised by UCOP. In addition, with the reorganization and reduction in size of UCOP, the Regents are considering the option of privatizing UCRP investments and their administration. This is a critical issue that should be followed closely in the coming year since there appears to be no obvious reason to privatize UCRP.

In addition to the old-style faculty ID, that does not have a photo, faculty are now eligible to obtain a faculty Photo ID by visiting ID Card Services in the Bay Tree Center. There is a small fee of \$5 towards these services, and in many cases, the department is willing to bear this expenditure. The photo ID is becoming increasingly useful in checking out library books and entering the UCSC campus buildings.

Some faculty inquired if FDIC insurance is available for retirement accounts held at Fidelity, such as the Fidelity Cash Reserves or Fidelity Retirement Money Market accounts. Although these accounts are not insured by FDIC, the insurance information by SIPC is provided on the Fidelity.com website on their main web page under the title "Learn how fidelity protects your accounts".

### **Campus Academic Plan**

CFW has commented on the latest academic plan. Overall it was poorly received since it incorporated few of CFW's previous comments, nor did it seem particularly thorough. CFW will need to review the next iteration of this plan and help with the incorporation of CFW concerns in the next version.

### **Social Security Opt-out**

For the past several years CFW has been in a dialogue with UCOP regarding faculty that opted out of Social Security in the 1970's. The key issue is that some of these faculty are not eligible for Medicare when they retire. Currently, UCOP plans to have a referendum in the fall of 2008 to allow affected faculty an "opt-in" program. If the referendum is accepted by the faculty, then UCOP will petition the U.S. government to have the faculty "opt-in" to Medicare for a certain fee. CFW will continue to follow up on this issue.

### **Lecturer with Security of Employment (LSOE) Market Adjustment**

In the last raise from UCOP, LSOE's were given a smaller market adjustment to their salaries compared to ladder rank faculty, despite the fact that LSOE's are Senate members and typically teach more than ladder rank faculty. This was explained by UCOP to be due to the fact that they are grouped with other professionals, such as librarians and project managers, and that their salaries are already at market levels. Nevertheless, no data was given to confirm this assessment. CFW brought this to the attention of UCFW but there was little support for changing this policy, especially considering the current budget crisis. Therefore, CFW, and the Senate as a whole, should monitor this issue in the future considering that it is of low financial cost to UC to solve, but high moral cost to ignore.

### **UCFW**

The key issues that were of concern to UCFW that will carry over into the next year are as follows. First, UCOP is reorganizing and will possibly outsource the management of our retirement investments (UCRP). As stated in the above section, this is a poor decision since this division of UCOP has done an exceptional job in the past and should not be re-organized since there are no solid reasons to do so. Second, the second year of the four-year faculty raise plan appears in jeopardy due to the State's budget crisis. This is of great concern given the low salaries of UC faculty relative to our Comparison 8 universities. Third, pay raises for senior managers still appears to be under consideration by the Regents. If so, this would have a negative impact on morale and retention, especially if it occurred without comparable raises for faculty.

### **Emeriti**

In collaboration with the Committee on Emeriti Relations (CER), retired lecturers are now able to retain their email accounts so that former students can find them easily for letters of recommendation and so that the lecturers can continue to be active members of the campus. This was a small action of the campus that has large symbolic meaning.

### **Thanks**

Lastly, but certainly not least, CFW gives its wholehearted thanks to Pamela Edwards, who patiently guided CFW through transitions in chairs as well as Committee members. She was an exceptional help to the committee on many levels and we commend her excellent work.

Respectfully submitted,

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