MINUTES
Regular Meeting of the Santa Cruz Division
February 19, 2014

Meeting
A regular meeting of the Santa Cruz Division of the Academic Senate was held Wednesday, February 19 at the Colleges 9 & 10 Multipurpose Room. With Parliamentarian David Brundage present, Chair Joe Konopelski called the meeting to order at 2:35 p.m.

1. Approval of Draft Minutes
The meeting minutes of November 15, 2013 were approved as written.

2. Announcements

a. Chair Konopelski
Senate Chair Joseph Konopelski began his report with the UC Presidential Initiatives Summary. Upon her arrival, UC President Janet Napolitano has been working very hard to learn as much about each of the UC campuses and the larger University of California system. She will visit all ten campuses and has launched a number of initiatives to improve the UC system.

The Tuition Initiative is intended to bring greater stability to tuition levels at the University of California, while still allowing the UC system to meet its budgetary needs. Historically, extreme spikes in tuition rates are tied to cuts in state funding. President Napolitano is focused on building a model that has predictable and modest inflation-based growth. Napolitano has also placed a focus on making financial aid information more accessible to high-school students. The full cost of tuition is intimidating to many and often discourages further consideration of pursuing higher education at UC, yet most students do not pay full tuition. It is important to President Napolitano that financial aid options are easier to identify and apply.

President Napolitano has additionally emphasized the importance of easing the flow of California community college students to the UC system with the Transfer Initiative. Efforts are being made to improve the operations that affect student awareness of opportunities, preparation, transition, and academic success at UC.

There is also a President’s Initiative to enhance and increase Technology Transfer at all stages of commercialization. There has yet to be a lot of information released on exactly how this will be done, and some campuses are putting more energy into this initiative than others. Chair Konopelski explained that it is still unclear how this program will be accelerated.

Referring to it as the “big ticket item,” Konopelski reported on the Climate Neutral by 2025 Initiative. The UC system is attempting to be the first research university to achieve carbon neutrality. Konopelski explained that the timeline for this initiative is short, and it is still unclear how much money this program will cost, however it is likely the UC system will get involved with managing biomethane. Other aspects of the initiative include investing in renewable on-campus energy sources as well as entering the off-campus wholesale electrical market.
President Napolitano’s Initiative for Dream Act students will put more funds toward enhancing student services and improving access to financial aid. UCSC has proportionately more undocumented students than many of the other UC campuses, which means we should get proportionately more money to support undocumented students.

Over the next three years, $5M will be allocated to the Academic Doctoral Education Support Initiative. Through this initiative, $2M will be allocated in the form of fellowships to former interns of the UC-HBCU Initiative that are in UC PhD programs, and $3M will be used in this time frame to increase the number of Eugene Cota-Robles Awards (a systemwide diversity fellowship).

The President’s Postdoctoral Fellowship Program Initiative will be granted an additional $5M to continue its efforts supporting high quality faculty hiring. This program is widely supported throughout all levels of the university.

The Food Initiative is striving to make the UC system a nationwide and international leader in issues related to food production and consumption. This initiative aims at increasing health and nutrition, sustainability, food security, and food safety on both the UC campuses and broader communities. Based on UCSC’s background in sustainability, it is likely our campus will play a large role in this initiative.

A new initiative, focusing on strengthening the UC system’s engagement with Mexico, has already resulted in a large meeting at UC Riverside. UCR will be the lead campus for the Mexico Initiative, however there will be possibilities for faculty at all UC campuses to get involved.

The final initiative is the President’s Challenge Grant Program, which is intended to support faculty early in their career in addressing societal and scientific problems being faced worldwide.

Chair Konopelski concluded his announcements by pointing out that President Napolitano seems to have a deep interest in the UC budget. She has called for UCOP to meet all financial obligations without receiving an increase in funding, meaning UCOP will absorb about 6.5 percent which goes to mandatory health care and pension payments. Napolitano has stated that there are always opportunities to get more out of a budget. She has called for an efficiency review and a survey on the importance and quality of things done at UCOP. Many faculty members should have received a stakeholder’s survey, and Chair Konopelski urged faculty to give their input about processes and identify opportunities for the university to run more efficiently.

b. Chancellor Blumenthal
Chancellor began by offering congratulations to faculty who have been recognized for their excellent work over the past few months.

Chancellor Blumenthal gave an update about the state budget. The budget for the upcoming academic year, 2014-15, appears to be staying aligned with that proposed by the governor. The UC system will receive a five percent increase in funds, and President Napolitano has already said that there will not be a tuition increase. After the 2014-15 academic year, however, it is
unclear how much state support UC will receive, and whether or not tuition will be raised. There may be some one-time augmentations from the state to the UC system, but the percentage increases UC has been receiving from the state will soon become unsustainable.

UCSC has been given approval to move forward with plans to build a coastal biology building near the Long Marine Labs. Funds have been allocated to prepare the plans and drawings for the coastal biology building, and it is expected that our campus will also receive state funds to construct the building.

UCSC has been making positive progress with increasing faculty positions and FTEs, largely thanks to the rebenching money given to the campus. There have been 36 new faculty hires over the past two years, with an additional 12 replacement faculty positions, making 48 total recruitments. Our campus expects to create 16 new faculty positions in the upcoming year from rebenching funds. CPEVC Galloway has decided to make three of the 16 positions Lecturers with Security of Employment. Allocation proposals from the divisions are due soon, and will then be looked over by the Committee on Planning and Budget.

The Vice Chancellor for Research position was recently filled by Scott Brandt, and there are other searches happening on campus; Dean of Humanities, University Librarian, Vice Chancellor for University Relations, and Chief Campus Counsel.

UCSC received a record number of applications this year—49K undergraduate applications, 8K of which were transfer applications. International, non-resident applications were up 46 percent and out-of-state applications were up 29 percent. Within our applicant pool, 47 percent of undergraduate applicants were first generation students. Chancellor Blumenthal was pleased to say that the academic quality of our first-year applicants remains very high. UCSC’s goal is to enroll 3,650 first-year students and 1,200 transfer students for the fall quarter of 2014. Letters will be sent in March giving accepted frosh a May 1 deadline to file their intent to register, and transfer students until June 1 to file. Graduate student applications went up by 16 percent. This number may continue to increase since it does not include the programs for which application periods are still open.

Last October Blumenthal announced UCSC’s first ever comprehensive fundraising campaign with a goal of $300M. So far, $162M has been raised, and UCSC is expecting at least one multi-million dollar gift which will be announced soon, along with another $1M gift. Over the last year UCSC has gained three endowed chairs, and Chancellor Blumenthal is continuing to spend increasing amounts of time with donors and prospective donors. The Chancellor thanked the faculty for their participation in many of these fundraising events.

Chancellor Blumenthal reported on his trip to India, from which he recently returned. It is still early in the process, but some important partnerships were forged. A couple of initiatives are being explored, one of which is with Punjab Technical University, and the other is in Tagore.

Vice Chair of the Board of Regents Fred Ruiz recently visited UCSC. The campus does not get very many visits from members of the Board of Regents, so the Chancellor was pleased about
this. Ruiz met with a variety of constituents including students and administrators, enjoying hors d'oeuvres at Blumenthal’s home and informally discussing issues of the university.

The Chancellor concluded his announcements with a brief discussion of the strategic planning initiative. Sessions have been conducted with more than 1,200 participants, including students, faculty, staff, external stakeholder groups, alumni, foundation trustees, etc. This initiative has broadly sought the views of a wide range of potential stakeholders in the future of UCSC. Now that so much data has been collected, efforts will focus on trying to make sense of the many ideas and hone them down to a manageable number. Significant progress continues to be made, and the Chancellor extended his thanks to those involved. Everyone can expect to hear more about strategic planning over the next few months.

The floor was opened for questions and comments. The Chancellor responded to an inquiry into UCSC’s goals in India saying that we will attract additional non-resident students who will be able to pay tuition, as well as create opportunities for our own students to go abroad. Other goals are forming strategic partnerships, philanthropy, and establishing some new programs, such as a Tagore center at College 9. Chancellor Blumenthal is also hoping to get an endowment so that College 9 can be named.

c. Campus Provost/Executive Vice Chancellor Galloway

CPEVC Galloway, sending her regrets, was unable to attend.

3. Report of the Representative to the Assembly (none)

4. Special Orders: Annual Reports

CONSENT CALENDAR:

a. Committee on Academic Personnel (AS/SCP/1747)

The CAP report was received.

5. Reports of Special Committees (none)

6. Reports of Standing Committees

a. Committee on Faculty Welfare

i. Report: Update on Faculty Salaries (AS/SCP/1748)

CFW Chair Barry Bowman encouraged Senators to fill out the survey from the Santa Cruz Faculty Association about budget impacts. He also mentioned that CFW hopes to give a report on retirement issues at the spring quarter meeting. Faculty retirement is dependent upon UCRP and, while vulnerable, this program is still in somewhat better fiscal condition than other university teaching retirement programs. UCRP is not fully funded, continues to go in debt, and the question remains as to what is the best policy to proceed with.

Bowman then gave an update on faculty salaries. The Senate has been looking closely at salaries for the past six years, working to improve UCSC’s salary, which was low within the UC system. It appears that the actions of the administration and the Senate together have had
some positive effect, as UCSC is now slightly ahead of Davis and Riverside in terms of salaries. The data presented were retrieved from the Academic Personnel Office (APO) and includes information from 2012 on 6,400 individuals from each campus with the exception of UCSF. Salaries between the UC campuses were compared by taking the average of the off-scale amount. Based on the data presented, the UCSC’s merit-boost program appears to have worked, and the rate at which UCSC’s salaries have increased is greater than the rate at any other campus.

The average of the steps at Santa Cruz is about $101K, which is within $1K of Davis and Riverside. San Diego, Irvine, and Santa Barbara are each roughly $3K higher than UCSC. Berkeley is about $15K higher than UCSC, and Los Angeles is roughly $22K higher than UCSC.

When looking at the average salary (off-scale vs. rank/step), we can see that UCSC assistant professors make roughly $10K more than the regular salary scale. This number declines a little bit with seniority, meaning that high level professors do not make $10K above the average salary scale. On the other campuses, the off-scale amount tends to increase with seniority, while at UCSC the off-scale amount tends to be lower with seniority. The Business and Engineering scale has a similar pattern, but with higher wages overall.

The good news is that the merit-boost program has had a positive effect and that UCSC no longer has the lowest salaries among the UC campuses. CFW reminded everyone at the meeting that we need to stay the course, as opposed to settling with the present salary rates. We have very good faculty at UCSC, and in order to retain these individuals, we will be required to pay them competitively. Santa Cruz is additionally a very expensive town to live in, and the cost of living should be accounted for when determining wages. CFW Chair Bowman urged the Senators that we need to keep the merit-boost program going.

The data shows that the UC system has moved away from having equity in pay among the campuses. CFW does not have a recommendation for how to view and deal with the salary discrepancies, but we may want to look at the high wages at UCLA and view them as a model that has done well for their faculty; something to strive for. On the other hand, we may want to consider ways in which to have more egalitarianism between the campuses.

A Senator asked if the pattern from the data would look any different if we looked at median salaries as opposed to average salaries. CFW Chair Bowman explained that using median salaries is often misleading when looking at faculty salaries because a significant number faculty have salaries "on scale" or fairly close to the scale. Most of the variation is in the salaries of faculty above the median. Senate Chair Konopelski reminded everyone that UCFW, the systemwide committee, convinced the administration to do a study of total remuneration for the faculty, which is currently being conducted.

b. Committee on International Education
   i. Amendment to Bylaw 13.22 (AS/SCP/1749)
   Chair Ben Crow explained that CIE is tackling numerous new areas concerning internationalization and global engagement of the UCSC Senate and administration. CIE
needs more people to serve on their committee, so this amendment is just to increase the committee’s numbers.

The motion was carried by voice vote.

c. Committee on Planning and Budget
   i. Oral Report
      a. Faculty Initiated Group Hire Program (FIGH)
         CPB Chair Dan Friedman explained that FIGHs are different from cluster hires because the initial ideas come from the faculty in the form of crowd-sourcing. FIGHs are intended to complement the annual proposals for faculty FTE. The initial idea came from CPEVC Galloway, was then incubated in CPB and then became fully fledged in the Senate Executive Committee. The FIGH process is beginning right now and, if successful, may expand to subsequent years.

         Chair Friedman went on to explain what FIGHs are in greater detail: groups of faculty propose hires based on what they would like to see at UCSC. A typical proposal may be three total hires, two hires in one cycle and one hire in another cycle, for instance. These hires will ideally leverage strengths already existing on campus. FIGH proposals must state the importance of an emerging area of research and teaching, explain how the hires will elevate UCSC’s reputation and research globally, and how it will be financially viable for the campus. It should be noted that ultimately, FIGHs will require support from relevant deans and departments in order to be successful.

         Proposals and comments can be uploaded on the FIGH webpage. Senators were encouraged to look at the present proposals, leave comments, and begin thinking about a potential FIGH for their division. The first round of proposals is due March 17, 2014, after which a diverse group of Senators will comment on the proposals and identify the most promising 3-5 of them by April 18, 2014. Endorsed proposals will be determined in the spring or summer. Complete proposals will be due September 1, 2014, and will be considered for CPEVC approval for the 2015-16 hiring cycle, along with the usual Divisional FTE requests.

      b. Internationalization
         Chair Friedman explained that the Committee on Planning and Budget endorses efforts to internationalization as a major campus goal. Resource implications are a common topic, specifically concerning revenues and costs. The committee is concerned about issues of implementation such as the appropriate governance structure, strategic international recruitment, and student support.

         Currently, CPB is awaiting consultation with the Office of Planning and Budget and will soon be working on establishing a business model which will work on determining what the revenues and expenses associated with internationalization will be. The Academic Senate will be responding to Undergraduate Education Division’s planning and documents at the beginning of March.
c. Other Projects- Summer Session, Impaction, Silicon Valley

A CPB subcommittee has been working with the Director of Summer Session, discussing appropriate ways to increase enrollments and increase operational incentives.

There is a joint subcommittee between CPB and CEP which is working with Linguistics Professor Jaye Padgett on the topic of impaction. Currently, the subcommittee is collecting data to be analyzed in order to not only help identify the impacted classes and majors at UCSC, but to create solutions that will improve the time it takes a student to complete his/her degree.

Silicon Valley planning is continuing. In the near future Senate stakeholders will be meeting with the key people in the administration to address the campus’s approach to Silicon Valley academic planning.

The floor was opened for questions and comments on all topics covered in this report by CPB. Chair Friedman responded to a question about the number of hires to be garnered out of the FIGH proposals saying that he is ambitious and is hoping to get 20, but this number cannot be promised. Another question inquired if the vetting process for the FIGH pre-proposals had been developed, and if diversity questions were being addressed in the criteria. Chair Friedman explained that the decision process and diversity questions are both in the call for proposals, which is posted online. Responding to a question about whether or not CPEVC Galloway was reserving positions for the FIGH or if FIGHs are in competition with the Deans’ FTEs, Chair Friedman explained that CPB would like to think as FIGHs as a complementary process. Senate Chair Konopelski detailed that in the most current cycle, the EVC has approached the deans to develop plans that include cluster hires, which by definition, is three people over two years, as she thinks this might be an idea that will continue to build elements of existing strengths.

d. Committee on Research

i. Oral Report of Composite Benefit Rate Proposal

COR Chair Judith Habicht-Mauche opened by discussing UCPath, a systemwide payroll-personnel system and shared services center. Historically, the implementation of the system has been delayed, but President Napolitano has begun to push it forward. It is expected to be implemented at UCOP by January 1, 2015 and will then roll out in waves to all the UC campuses, of which UCSC will be one of the first, receiving it in July of 2015.

COR has taken interest in UCPath because of Composite Benefit Rates (CBR), a way of allocating a pool of funds from which benefits will be paid. The salaries of particular groups of employees (for instance, faculty, staff, postdocs, etc.) are averaged to determine the CBR, which is then charged to whatever fund is generating an employee’s salary. For most employees, salaries come from state funds, but some faculty members charge part of their salaries to grants. There are many benefits to the CBRs, however the new CBRs will be applied based on the group an employee falls into, regardless of when the employee is appointed. Currently, UC does not pay the same benefits over the summer as they do during the academic year. With the new plan, though, summer salary benefit rates will have to be
the same as academic year rates, which means faculty will be charged for their summer benefits in addition to paying into them over the academic year.

Currently, if a faculty member pays herself summer salary from a grant, the benefit rate charged to the grant is roughly 12 percent. This will change with CBRs. Chair Habicht-Mauche showed a chart of possible CBR options provided by the UCSC Office of Planning and Budget. She also reminded the audience that this is a UC-wide issue that is happening at all of the campuses. Initially it was determined that each campus would have the same CBR, however it now looks as if there will be slight flexibility concerning the rates between the campuses. Scenario L is being proposed for UCSC, which has six employee groups with various projected rates. The rate for academic faculty, though, has four potential Options (A, B, C, and D), and there may still be time to influence which of these options will be accepted.

In Option A, all benefits will be included in CBR, as they are for all other employee groups, thus giving all academic faculty a universal CBR of 34.2 percent (almost three times as the current rate for faculty in the summer). Option B includes health, welfare, and taxes in CBR, creating a CBR of about 22 percent, however retirement would be taken out of the CBR calculation for faculty, and would instead be charged directly to grants. If you add the retirement on to the 22 percent in the academic year, you get 34.7 percent for the academic year, and 25.5 percent for the summer. In Option C, health and welfare, and taxes are included in the CBR, and retirement is charged exclusively to the university General Fund (instead of a faculty member’s grant), creating a flat rate of 22 percent of the academic year and summer salary, only double of what faculty members are presently paying for summer. In Option D, the only thing included in the CBR is taxes (Social Security and Medicare). Retirement is directly charged to grants, and health and welfare is charged directly to the general fund. Option D results in a differential rate for the academic year and summer, with 21.1 percent during the academic year and 11.9 in summer. It should be noted that this 11.9 percent is approximately the same as the 12 percent that UCSC currently has, but with a lower rate during the academic year and with health and welfare coming from the general fund. Options C and D are clearly more appealing to faculty and less appealing to the administration due to charges to the general fund.

The CBR represents significant increases to the direct costs of doing research at UCSC. Chair Habicht-Mauche gave the example of a professor with a 9-month salary of $99K, who wants to charge three months of summer salary to his or her grant. This would charge $33K to the grant, plus about $4K for benefits (also be charged to the grant). With Option A, an additional $11K will be charged directly to the grant, and under Options B and C, and an additional $7K will be charged to the grant. Thus, when a faculty member is reviewing grant budgets, the decision will have to be made concerning whether to use the grant to pay oneself during the summer, a graduate student researcher, or to do less research because there is less money available for things such as equipment charges and travel. These charges are significant increases to the direct cost of doing research at all UC campuses, and will leave faculty members with no choice but to make difficult trade-offs between the quantity and quality of research supported by external contracts and grants.
COR is particularly concerned about how this will impact graduate students and graduate student support. For instance, under Option A, the CBR cost of over $11K for summer salary is approximately the same as it costs to support a California-resident graduate student researcher for one quarter. Under Options B and C, the cost is nearly $2K more than the cost of a three month summer graduate student researcher. These additional costs that will result from CBR could equal a loss of as much as 10 to 15 percent in terms of graduate funding for research, or the other alternative is that faculty may choose not to pay themselves over the summer. This could also make proposals from UC less competitive, as program officers are becoming increasingly attentive to exactly where budget money goes.

Chair Habicht-Mauche concluded that this is a UC-wide problem and it requires a UC-wide solution. Researchers and PIs need to be informed that this program is on its way and faculty need to prepare for these changes by thinking about the budget choices that will need to be made and how to go about making them. Those at Academic Council and Academic Assembly are still working on this issue and are hoping to have an impact on how faculty are treated by CBR. COR could use faculty feedback on how these changes will affect research. Examples may be passed onto UCORP.

The issue was opened to the floor for discussion. Professor Bowman noted that UCFW has been dealing with the issue for years, and at one point thought it had been won, but then it was all reconsidered. CBRs are requiring that faculty pay more for retirement benefits and health insurance, however they will not see additions to their benefits. Senate Chair Konopelski pointed out that he has been involved with this issue for over a year and a half, and that it is difficult to determine if UCOP is being honest about having to make these changes, or if these changes are just what they would like to see happen. Scott Oliver explained that in the past, UCOP has tried to get additional money from grants, and has thus far been unsuccessful. When this goes through, though, it will mean less money for graduate students, affecting graduate growth and the campus’s intent to increase graduate programs, thus going against the Rebenching initiative and actually representing a step backwards. Additionally, if CBRs don’t end up hitting the research budgets, they may harm the campus budget instead.

The Chancellor commented on UCPath, reminding everyone that these discussions have been going on for many years, and there have been many issues about communications. This is not something that is unsolvable, and the statement that there can technically only be 5 rates is dishonest; 6 rates are possible and would solve many problems. Chair Konopelski added that in May, there will be a report to the regents on graduate education.

Judy Scott expressed concern since she has a couple of pending grants, with set budgets, that add up to about $3.5M. Chair Habicht-Mauche invited expressions of concern and specific examples of the impact on research be sent to COR), and Chair Habicht-Mauche will send the information to UCORP. Those who did not plan on having the CBR will have to find a way to budget for it on already set grant budgets, however COR is hopeful the committee can work with UCSC Planning & Budget to create some kind of cushion fund to make this shift less drastic in the short-term. Senate Chair Konopelski mentioned that this type of cushion has been discussed with CPEVC Galloway, and she is open to such an idea. A cushion was
actually worked into the UC Davis plan, as the campus went to a CBR on their own with 13 different rates, however the Davis plan will be less efficient once the systemwide approach comes into effect. It should be noted that CBRs do work at other institutions, but the way it is being used at the UC campuses is making it a very contentious issue.

Judit Moschkovich inquired about looking at how CBRs are handled at other institutions. Senate Chair Konopelski explained that most other institutions have a defined contribution retirement program, as opposed to UC’s defined benefits. UCOP is arguing that CBRs work at other public institutions, but it should be emphasized that salaries and benefit payments work differently at other institutions. Chair Habicht-Mauche mentioned that if one is concerned about retirement, Options B and D look the most promising.

7. Report of the Student Union Assembly Chair
SUA Chair Shaz Umer gave an update on winter quarter, explaining that the student government has been lobbying on the national and international level in order to maintain a high standard of education. SUA’s Academic Affairs is working to make the Science and Engineering library accessible 24 hours a day, five days a week, so that students have a space to work late at night. The Commission on Diversity is also looking into making the Wellness Center open 24 hours a day. SUA’s Internal Office has organized the first music festival to be brought to UCSC, which will happen in the spring. SUA is expecting at least 3,000 students to attend the festival.

SUA is focusing on revisiting the California Master Plan. In the 1960s, the goal of the Master Plan was to create a system that combines exceptional quality and broad access for students. This transformed a collection of uncoordinated and competing colleges and universities into a coherent system. UC was designated as the primary academic research institutions to provide for undergraduate, graduate, and professional students. The major tenants of the Master Plan are affordability, accessibility, and quality. SUA is working to create a survey to students, workers, faculty, administrators, staff from all institutions of higher education, California tax payers, alumni, and representatives of unions, in order to collect information and draft a re-envisioned plan for California higher education. SUA will be addressing these priorities to UCOP.

8. Report of the Graduate Student Association President
The GSA President, Cameron Alston reported briefly on the issues graduate students raised in their meeting with President Napolitano.

There are a lot of disparities among departments concerning the amount and types of funding graduate students receive. There is also a lack of transparency of what agreements actually are, putting many students in a position to make difficult financial choices. GSA is conducting a survey of graduate students, seeking to understand how agreements are envisioned by students. GSA hopes to work on a systemwide policy for standardizing funding agreements.

Professional Degree Supplemental Tuition (PDST) has also been discussed at GSA. PDST varies a lot and puts a lot of pressure on students and programs. Additionally, it is often
difficult for students to determine what the actual cost of their education will be throughout the course of their graduate career.

GSA also discussed non-resident tuition, specifically, removing non-resident tuition for doctoral students since it places a financial burden on the departments supporting non-resident PhD students. President Napolitano seemed receptive to this idea; GSA will discuss it further in April.

There is a large demand for professional development programs, of which GSA hosts many workshops. These workshops happen to be very popular, and GSA would like to make professional development for graduate students a priority. President Napolitano was also receptive to this idea.

GSA also worked on organizing a few events over the winter quarter, including a Power and Privilege Training, and a disability and justice discussion by guest speaker Mia Mingus. GSA established a few new positions, including a solidarity officer and a travel grants coordinator.

9. Petitions of Students (none)

10. Unfinished Business (none)

11. University and Faculty Welfare

12. New Business

The meeting was adjourned at 4:37 p.m.

ATTEST:
Junko Ito
Secretary

March 24, 2014