



The October meeting of the University Faculty will be held on Monday, October 7, 2002, beginning at 5:00 PM in the Langone Center Forum. Professor Michael Payne will preside. If there are any amendments to the September, 2002 minutes, please send them to Andrea Halpern, Secretary of the Faculty, in advance of the meeting.

AGENDA

1. **Amendments to September 2002 minutes**
2. **Announcements and remarks by the President and members of his staff**
Report on the Class of 2006
3. **Announcements by the Chair of the Faculty**
4. **Old Business**
 - a) Motion from Paul Susman (see September, 2002 Minutes) on the living wage issue

At the September faculty meeting, some faculty members requested further information concerning a living wage at Bucknell. I will be referring to the statement reprinted below, prepared by BCEJ/PULSE. For more detailed information, go to:
http://www.orgs.bucknell.edu/catalyst/faculty_living_wage_letter.htm

BCEJ/PULSE Reasons for Supporting this Motion

- **Declining Real Wages for 2 Decades.** Communities and campuses around the country are enacting living wage policies due to the erosion since the 1970s in the real value of wages, including the minimum wage, and the poverty that results from such low wages.
- **A Living Wage.** In the local area, on average, \$10.54 per hour (including benefits) is the minimum amount each adult in a family would need to earn in order to pay their bills.
- **Why We Propose a \$9 Living Wage for All Workers.** Though the \$9 per hour wage floor suggested in the CPB report is considerably below a living wage, we propose it for all workers because we believe that advocating a \$10.54 living wage is not politically feasible at this time. However, we reject the portion of the CPB report that requires a four-year waiting period before one is eligible for the \$9 wage and object to its failure to provide for subcontracted workers because these two contingencies cause the CPB \$9 proposal to exclude most low-wage workers at Bucknell.
- **Wage Compression.** A minimum living wage will create wage compression, and some employees currently making around \$9 may resent those with less experience making the same wage as they do. BCEJ supports a living wage accompanied by other raises that minimize the problems that might arise from wage compression.

How Much Would it Cost? It is not possible for us to estimate the cost of a living wage. VP Lema told us she would give CPB the data necessary to make these calculations, but refused our request for a copy. In 2001, BCEJ/PULSE estimated that a \$9 living wage at Bucknell, with a dollar added on for benefits, would cost about \$500,000, and that it would affect about 230 employees then making less than \$9/hr. We did not estimate costs of overcoming compression. For more information, questions should be directed to VP Lema and to CPB.

Ethical Dimensions of Our Campaign. We believe that Bucknell deludes itself when it claims in its *Mission Statement* that we seek to construct practices that reflect "compassion, civility, and a sense of justice." Despite this dreamy view, last spring Bucknell spent \$360,000 raising the wages of the highest paid professors while numerous Bucknell employees were making far less than a living wage. For us, the principal ethical dimension of our campaign is simply this: it is wrong for a rich university to live off the backs of workers who don't make enough to get by.

b) Further information from the Committee on Planning and Budget: Ben Marsh

In the context of Professor Susman's motion before the Faculty, the Committee of Planning and Budget wishes to introduce the entire text of its report to the president on "living wage" into the agenda. See final item on agenda for that text.

5. New Business

a) Report from the Committee on Instruction: George Exner

Charge for the Committee on Assessment

The formation of Committee on Assessment was part of a Committee on Instruction recommendation to the faculty calling for the adoption of outcomes assessment for student learning. The full report of the Committee on Instruction was approved by a vote of the faculty on April 1, 2002. The Committee on Assessment is a permanent sub-committee of the Committee on Instruction and may be advisory to relevant administrative offices.

The Committee on Assessment is charged generally with the responsibility for areas of outcomes assessment beyond the departmental level. Specifically, the committee is asked to investigate and report on the assessment of service courses, non-major courses, and non-major advising, as well as other non-department-based co-curricular activities. As part of the on-going development of a comprehensive assessment program at Bucknell, the committee is charged finally with identifying and redefining its appropriate functions within the academic year 2002-03 and, if necessary, suggesting to CoI modifications to the Committee on Assessment's mission within that time.

Committee on Instruction agrees to convey reports of Committee on Assessment to the faculty without change but with comments that Committee on Instruction deems appropriate.

Committee on Instruction will appoint the membership of Committee on Assessment. Faculty representatives will serve terms consistent with the other CoI sub-committees. The Committee on Assessment shall consist of the following members: Four faculty members, one from each division (Natural Sciences and Mathematics, Humanities, Social Sciences, and Engineering), the Coordinator for the Common Learning Agenda, the Director of the Writing Center, or his/her representative, the Associate Vice-President for Information Services and Resources, or his/her representative, an Associate Dean from the College of Arts and Sciences and Associate Dean for the College of Engineering, or their representatives, the Director of Institutional Research, or his/her representative, and one student representative appointed by BSG.

b) Motion from Committee on Planning and Budget: Ben Marsh

Summary: The Committee on Planning and Budget requests a change in its membership. The Committee proposes that its membership be expanded to include all five Vice Presidents (up from the present three — Finance

and Administration, Student Affairs, and Academic Affairs), and that the Faculty representative to the Trustee Finance committee be added as a voting member, and that a present non-voting student member be given a vote, and that the four elected faculty members be elected from the standard divisions. The voting membership would thus be 19, up from 15: five faculty (up one), five VP's (up two), two deans, four students (up one), and two hourly employees and one administrative staff member (all 3 new as of last year).

Rationale: The Committee feels that the VPs of Development and of Enrollment Planning — who are responsible for the two largest fund sources (tuition and endowment) and one of the largest expenses (financial aid) — should be involved in planning and budget deliberations. Committee balance is maintained by the other changes. It makes sense to have the Finance Committee Representative on CP&B, given the complexity and particularity of the issues discussed at the board committee. Faculty divisional representation had been uneven: three of the four members last year were from natural science & math and the other was from engineering. The increase in physical (and deliberative) size of the committee is only two, as the Finance Committee representative had already been invited as a non-voting guest. Although the Committee has been able to work effectively at its present size, the members recognize that it would now become a very large committee in which some voices may have trouble being heard.

Formal motion, for November discussion and vote:

"The membership list for the Committee on Planning and Budget will now read:

Four members of the Faculty, elected from the four divisions

The elected Faculty Representative to the Finance Committee on the Board of Trustees

Four students elected by the Congress of the BSG, for terms to be set by the Congress, but not less than one year

One member of the salaried staff other than voting members of the Faculty and direct reports of the President or Vice-Presidents, selected by vote of those eligible to serve, in an election organized by the Administrative Forum

Two members of the hourly staff selected by vote of those eligible to serve, in an election organized by the Support Staff Forum.

One representative each from the Committee on Complementary Activities, the Committee on Instruction, and the Committee on Faculty and Academic Personnel, without votes

Deans of the Colleges

Vice President for Academic Affairs

Vice President for Finance and Administration

Vice President for Student Affairs

Vice President for Development and University Relations

Vice President for Enrollment Management

The President may meet with the Committee without vote

The chairperson of the Committee shall be elected from its elected faculty membership."

MEMORANDUM

To: President Rogers
From: Ben Marsh, for Committee on Planning and Budget
Subject: CPB response to “Living Wage” proposal
Date: April 26, 2002

The Committee on Planning and Budget has spent part or all of every meeting this semester considering the president’s questions about the “Living Wage” proposal. We met with representatives of the Bucknell Coalition for Economic Justice to gain their perspective on the issue, we analyzed the aggregate set of wage rates for the approximately 500 regular hourly Bucknell employees, and we met with Marcia Hoffman of Personnel Services to learn about wage and benefits patterns and the typical trajectory of a Bucknell support staff employee over his/her career. We have collected many of the documents we considered at this address:

http://www.facstaff.bucknell.edu/marsh/BU_business/living_wage_material.html

We discussed the moral, financial, and employment implications of the proposal as we had received it. We reformulated the argument as you see it below, and will offer some suggestions. The Committee was able to discuss these issues freely, and this document reflects the consensus of the entire committee: it is probably not what any one member of the committee would most favor, but it is acceptable to every member present.

The Committee was not able to endorse the concept of a “Living Wage” as a wage floor for all employees. Some members felt strongly that wages must reflect the local market and the employee’s value to the employer. Committee members widely agreed that some jobs, and some career stages, warrant lower pay than others; that there will always be a bottom to the wage distribution. Raising the minimum wage to some level removes incentives to workers who are not working to their potential; it also compresses the pay structure in the short run, to the detriment of those who have previously earned raises. And it also may threaten the jobs of some of our employees who could not compete at higher wages.

The Committee instead settled on a formulation that focused on the potential provided to each employee by the university to accept higher responsibility and the pay that goes with it. We took “justice” to demand not equal *attainment* at some level for all hourly employees, but rather a significant and equal *opportunity* — “opportunity to flourish,” as one member put it — for all hourly employees. It was, for example, reported to the Committee that some hourly employees explicitly decline advancement to new positions that would raise their pay; it was not clear to the Committee what obligation the University has about the further pay raises of such employees.

Following this focus on “potential for advancement,” the Committee asked how many employees have worked at Bucknell for more than four years but continue to earn less than \$9.00 per hour (the rate you mention in your letter). While about 15% of the support staff earn less than \$9.00 per hour, the number of employees who have had satisfactory evaluations for four years or more and still earn less than that level is very small, roughly the size of our committee. (These numbers count only full-time “benefits-eligible” support staff employees. There are probably non-benefited staff in equivalent situations who should have been counted here, but we weren’t able to address this issue in any detail. No salaried staff in benefited positions fall below the equivalent pay level.)

The Committee does not see a way to identify some single income level that constitutes a “Living Wage” for all employees. BCEJ offered us an estimate of \$10.54 per hour as the living wage rate for Bucknell employees; this was a weighted average of estimations of living expenses of several family sizes in several local counties. The underlying assumption that there is a “typical worker” with typical needs belies the observation that workers’ personal situations are diverse. The family size, the other incomes in the household, the need for child-care, the price of rent, the value of healthcare benefits, etc., are highly variable from person to person, and will be above or below any fixed value — and this information is not really the business of the university to collect

The Committee believes that the existence of lower wage rate jobs in the local market satisfies the employment needs of entry level workers seeking to develop skills, and of certain workers with cognitive challenges that keep them from rising to competitive performance levels, and of workers who prefer at a point in their lives to

have a less challenging job at matching wages. Also, for those in the lower pay ranges, simple wage rates surely under-estimate the total benefit of working at Bucknell compared to many other local employers, because of the relatively good health and education benefits (the same ones the faculty get), the retirement plan, and the advancement opportunities that Bucknell provides.

From this background, the Committee offers the following suggestions.

Bucknell should commit itself to offer opportunities for all employees who are contributing effectively to move themselves into positions of increasing responsibility and pay over their careers. The University should continue to focus significant resources into the career development of all employees.

Active encouragement of occupational development should be an explicit responsibility of the Office of Personnel Services. (Such development is in-part educational and thus matches the underlying goals of a university.) The personnel office should produce a plan to accept responsibility for this kind of development of the support staff. Additional staff resources in the personnel office may be needed to support this activity.

A somewhat arbitrary “wage attainment” target will need to be identified through a model that responds annually to economic changes. A suggested medium-term target is that all employees should be able to attain a wage rate somewhat above \$9.00 per hour after 4 years of satisfactory employment. The dollar level would increase annually in proportion to the wage increases at the lower levels within our local wage survey. The personnel office’s development plan should include a model for wage targets, and should identify the criteria of success of the plan, as well as a reporting scheme for this plan. Individuals who do not reach the target level on schedule may need additional counseling about their performance or other circumstances.

The university will need to give faster increases at the lower pay rates than are now offered. The additional compensation funds needed to accelerate raises at the lower pay rates would support the university’s goal of encouraging advancement in pay and responsibility. The university and the employees can both benefit.

The Committee endorses the president’s stated plan of making all full-time employees benefits-eligible — while also recognizing the complexity, expense, and time that will be involved in the transition. This measure is intended to improve the economic security of many wage employees, and will underscore the University’s commitment to a fair employment structure.

The Committee favors giving a raise by September to the few people described above, such that no one will earn less than \$9.00 after 4 consecutive years of satisfactory performance. The cost of this one-time change will be insignificant relative to the wage budget.

In the longer run, the Committee is concerned about the wages of *all* support staff, not just those at the entry level. A new “support-staff wage model” has been under consideration by this committee, and it will have a far greater overall impact on the wages of most support staff. For example, the support staff compensation increase recommended by this committee and approved by the Trustees for 2002 – 03 is 2 percentage points higher than the projected increase in the Consumer Price Index, presenting a \$340,000 increase in real buying power for the hourly staff.

This present recommendation for more rapid increases at lower levels should be incorporated into the new wage model, so the additional budgetary impact can be folded into that larger change and spread over several years.

The Committee strongly recommends that the administration be explicit that any changes now in wages for entry level positions will not happen at the expense of wage increases of current employees or the total number of positions available. Concerns about whether a “Living Wage” would cost other jobs, and whether this increase would be fair to continuing workers, were frequently expressed by hourly employees in comments to a support staff member of the Committee.