EXPLANATORY NOTE: The Report of the Faculty Welfare Committee on Fringe Benefits (which follows) has been paginated and divided into three (3) sections:

- Background pp. 1 - 6
- Fact Sheet pp. 7 - 9
- Recommendations pp. 10 - 13

The Faculty is being asked to approve the Recommendations as described on pp. 10, line 111.

However, the Faculty Welfare Committee is anxious that both the Background Report and the Fact Sheet will be read and studied before the recommendations are reviewed.
Introduction

At the special meeting of the UWM Faculty on May 24, 1967, Dean E. Schenker's motion was passed so that the Welfare Committee's recommendation concerning sabbatical leaves--"be referred back to the committee for study in establishing a system of priorities in terms of fringe benefits." (This recommendation is on Page 4, lines 2-4 of Faculty Document 413 and reads as follows:

"The UWM Faculty requests that the administration develop a plan to be submitted to the board of regents for adding a sabbatical leave program to the present research grant system at the University of Wisconsin."

Although the problem of fringe benefits has been assigned to an ad hoc all university Fringe Benefits Committee early in 1966, the UWM Faculty Welfare Committee has complied with the request of the faculty to study the problem also and prepare a report and recommendations on improvements in fringe benefits.

In order to study the problem further discussions were held with the following people:

1. Professor Earl Lungren, one of the UWM representatives on the ad hoc Fringe Benefits Committee;
2. Professor William Bicknell, Chairman of the ad hoc committee;
3. Mr. Harry Joyce, Executive Secretary of the State Teachers Retirement Board; and
4. Professor Arthur Else, Professor of Economics, and a specialist on retirement programs.

I. The Report of the All-University ad hoc Fringe Benefits Committee, Dr. Bicknell, Chairman (9/30/66)

The main part of the report is presented below for your information:

I. General Principles.

First, we believe that the cost of those fringe benefits which are needed by all faculty members should be paid for by the State. It is more efficient for the State of Wisconsin to contribute $1.00 directly for a given fringe benefit than for the State to pay a faculty member $1.30, out of which he pays $.20 to the Federal government, $.10 to the State government, and then contributes $1.00 toward the desired benefit.

Second, we believe that the University can most efficiently gear its fringe benefits program to the special needs of its faculty if this program is incorporated in a University total compensation program, and directed according to academic needs and traditions. It is admirable and proper to treat all Wisconsin employees equitably, but equitably has never meant identically. It is quickly apparent that various state subgroups have special work patterns and/or competitive problems which should be recognized. The committee believes the University could design its
total package of compensation and fringe benefits more efficiently if it were free to allocate its resources as its needs require, rather than follow an allocation scheme which may represent a compromise with some other state subgroup, a compromise which may be unsatisfactory to both subgroups.

II. Specific Fringe Benefit Areas in Need of Improvement.

Those fringe benefits felt to be in most need of improvement, mainly in decreasing order of importance, are:

1. Increased contributions by the State (on behalf of the member) to the retirement system.

2. Restoration of future State contributions to the retirement system as a death benefit.

3. Improved State Group Life Insurance.

4. Improvements in our disability insurance.

5. Increased travel opportunities to attend meetings.

6. Increased State contributions toward the cost of health insurance for faculty members and redesign of benefits purchased.

7. Increased opportunities for leaves of absence—extended periods of time for research projects and academic revitalization in other environments.

A partial listing of other fringe benefits where improvement is desirable follows. (These were not fully discussed and are therefore not ordered.)

8. Construction of Faculty Clubs.

9. Improved health services for faculty members and their families.

10. Increased attention to fringe benefits through the establishment of an office on campus with this function.

11. Cooperation with other institutions for the education of faculty children.

12. Moving expenses for new faculty members.

13. Faculty parking facilities.


15. Improved faculty housing (rental) facilities.

16. Availability of low interest housing loans.

Professor Bicknell informed the Welfare Committee that further statements from other groups about faculty interest and recommendations would give support to his committee's position and would strengthen the faculty's request for improvements in fringe benefits. Therefore your committee has undertaken this task.
II. Summary of the Findings on Sabbatical Leaves

On the basis of 1965-66 study of Sabbatical Leaves (See Faculty Document 367, May 4, 1966) which showed that the majority of major state universities and Landgrant Institutions (63%) had a sabbatical leave system prior to 1965 and the results of the 1967 UWM Faculty Survey which strongly supports such a program, the Faculty Welfare Committee believes:

A periodic paid "creative pause" would be useful in promoting the professional growth, academic performance, health and morale of the faculty. The committee also emphasizes that the Sabbatical Leave system would be useful in recruiting new faculty and in retaining the present staff.

Ninety per cent of the respondents in the survey on Sabbatical Leaves by the Welfare Committee in spring, 1967, favored adding a sabbatical leave program to the present research grant system.

Therefore, the Faculty Welfare Committee recommended for faculty action the sabbatical leave program mentioned above.

Points to consider in establishing a Sabbatical Leave program (based on Mark Ingraham, The Outer Fringe):

Conditions to be met:

1. Eligibility: six years of service, professorial rank (majority requirement)
   Eligibility of instructors or non-tenure faculty (variable)

2. Selection: a problem if leaves can be granted to fewer than are eligible and desire them.

3. Purpose: Research, writing, publishing
   Professional meetings
   Visiting other institutions
   Graduate work (chiefly acceptable in private colleges)
   Study, observation, creative activity.

4. Agreement to return: requirement in 90% of public institutions but a questionable policy. (Ingraham disapproves--p.87)

Length and amount of pay:

1. Prevailing pattern: half a year on full pay, a year on half pay.

2. Full year at half pay: if it is the only plan, many do not take leaves.

Plan for universities emphasizing research:

1. Opportunities for full-time research at frequent, not necessarily periodic intervals. "These should be considered as assignments, not leaves" and could be spent on the home campus (Ingraham, p. 85).

2. Occasional leaves on pay for health or cultural travel should be available, not necessarily as often as every seven years.

"The total contribution toward retirement" should not be decreased (Ingraham, p. 89).

Survey of Faculty:

Results of the Faculty Survey on
Sabbatical Leaves (Spring, 1967)

1. Faculty support for a sabbatical leave plan according to age:

<table>
<thead>
<tr>
<th>Age</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>20-29</td>
<td>48</td>
<td>0</td>
</tr>
<tr>
<td>30-39</td>
<td>113</td>
<td>10</td>
</tr>
<tr>
<td>40-49</td>
<td>103</td>
<td>10</td>
</tr>
<tr>
<td>50-59</td>
<td>51</td>
<td>4</td>
</tr>
<tr>
<td>over 60</td>
<td>10</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>325</td>
<td>24</td>
</tr>
</tbody>
</table>

Conclusion:

a. At all levels the faculty favor a sabbatical leave program by over 10 to 1.

b. Over 93% of the faculty favor a sabbatical leave program of the 48% of the full-time faculty who participated in the survey.

2. Faculty support for a sabbatical leave program by schools, colleges & others:

<table>
<thead>
<tr>
<th>School</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applied Science &amp; Engineering</td>
<td>20</td>
<td>3</td>
</tr>
<tr>
<td>Commerce</td>
<td>9</td>
<td>1</td>
</tr>
<tr>
<td>Education</td>
<td>43</td>
<td>1</td>
</tr>
<tr>
<td>Letters and Science</td>
<td>136</td>
<td>18</td>
</tr>
<tr>
<td>Fine Arts</td>
<td>36</td>
<td>0</td>
</tr>
<tr>
<td>Home Economics, Nursing, Pharmacy</td>
<td>6</td>
<td>0</td>
</tr>
<tr>
<td>Social Welfare</td>
<td>18</td>
<td>0</td>
</tr>
<tr>
<td>Others</td>
<td>57</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>325</td>
<td>24</td>
</tr>
</tbody>
</table>

Conclusion:

All segments of the UWM faculty support a sabbatical leave program almost all by more than a 10 to 1 margin.

3. Faculty support for a sabbatical leave program according to years of service at UWM:

<table>
<thead>
<tr>
<th>Years</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over 10 years</td>
<td>186</td>
<td>13</td>
</tr>
<tr>
<td>5-9 years</td>
<td>48</td>
<td>7</td>
</tr>
<tr>
<td>Less than 5 years</td>
<td>91</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>325</td>
<td>24</td>
</tr>
</tbody>
</table>

Conclusion:

The faculty at all levels of service at UWM strongly support a sabbatical leave program.

4. Faculty who were granted released time by research support:

UWM Fac. Doc. 433, Feb. 15, 1968
a. By age

<table>
<thead>
<tr>
<th>Age Range</th>
<th>Yes</th>
<th>No</th>
<th>% Awarded</th>
</tr>
</thead>
<tbody>
<tr>
<td>20-29</td>
<td>6</td>
<td>43</td>
<td>12%</td>
</tr>
<tr>
<td>30-39</td>
<td>33</td>
<td>94</td>
<td>26%</td>
</tr>
<tr>
<td>40-49</td>
<td>35</td>
<td>79</td>
<td>30%</td>
</tr>
<tr>
<td>50-59</td>
<td>13</td>
<td>42</td>
<td>23%</td>
</tr>
<tr>
<td>Over 60</td>
<td>2</td>
<td>11</td>
<td>15%</td>
</tr>
<tr>
<td>Total</td>
<td>89</td>
<td>269</td>
<td>25%</td>
</tr>
</tbody>
</table>

Conclusion:

a. About one-fourth of the faculty are awarded research leaves.

b. Most research leaves have been granted to faculty members between the ages of 30 to 50.

b. By years of service at UWM

<table>
<thead>
<tr>
<th>Service</th>
<th>Yes</th>
<th>No</th>
<th>% Awarded</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over 10 years</td>
<td>32</td>
<td>174</td>
<td>15%</td>
</tr>
<tr>
<td>5-9 years</td>
<td>22</td>
<td>33</td>
<td>40%</td>
</tr>
<tr>
<td>Less than 5 years</td>
<td>34</td>
<td>63</td>
<td>35%</td>
</tr>
</tbody>
</table>

Conclusion:

Faculty members with more than ten years of service receive less than fifty per cent as many research leaves as do newer faculty members.

Final Conclusion:

1. The research leave program is more helpful to younger faculty members.

2. The large majority, over 93%, of the faculty recommend that a sabbatical leave plan be added to the research leave plan.
... Another Kind of Plan

Dean Roy Francis has suggested that the Welfare Committee and the Faculty recommend a summer sabbatical program providing released time at full pay every four years for those who have professorial rank.

This idea has a number of meritorious features and has the support of the Faculty Welfare Committee as a start on the sabbatical leave program.

Merits of the Summer Sabbatical:

1. More people could be released for a summer.

2. Many special seminars, workshops, and activities are available to faculty members.

3. Summer sabbatical leaves could be more frequent.

4. Summer salaries at 2/9 of the regular salary would cost only 4/9 of a professor's salary in eight years versus 50 per cent of a year's salary for a one year leave.

... Suggestions from the UWM Women's League

The UWM Women's League has offered two suggestions for committee consideration:

1. that the out-of-state tuition fees be waived for families of faculty members new to the staff; and 2. that the spouses of faculty members be permitted to enroll each semester in a three credit course without being assessed the normal fees.

WM Fac. Doc. 433, Feb. 15, 1968
FACT SHEET

Approximate Cost Estimates of the Recommendations in the Welfare Committee Report on Fringe Benefits

General Information

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>101</td>
<td>Total University Budget 1967-68</td>
<td>$201,754,753.</td>
</tr>
<tr>
<td>102</td>
<td>Faculty Salary Budget</td>
<td>69,683,041.</td>
</tr>
<tr>
<td>103</td>
<td>Fringe Benefits (8.4%)</td>
<td>5,853,000.</td>
</tr>
<tr>
<td>104</td>
<td>Faculty Members Contribution</td>
<td></td>
</tr>
<tr>
<td>105</td>
<td>to Retirement</td>
<td>3,750,000.</td>
</tr>
<tr>
<td>106</td>
<td>Hospital and Surgical Insurance</td>
<td>532,000.</td>
</tr>
<tr>
<td>107</td>
<td>Major Medical</td>
<td>116,000.</td>
</tr>
<tr>
<td>108</td>
<td>State Life Insurance</td>
<td>276,000.</td>
</tr>
</tbody>
</table>

Cost Estimates for the Various Recommendations

Salary Related Benefits: (yearly)

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>111</td>
<td>Faculty retirement payments</td>
<td>3,750,000.</td>
</tr>
<tr>
<td>112</td>
<td>State retirement payments</td>
<td>3,750,000.</td>
</tr>
<tr>
<td>113</td>
<td></td>
<td>$ 7,500,000.</td>
</tr>
</tbody>
</table>

If recommendation 1a. is accepted, the state would contribute $3,750,000 more (a 5.3% increase in the salary budget). This would raise the UW fringe benefits to about 13% of the salary budget.

1b. The committee was unable to obtain any estimate of the cost involved. It would seem to be a fairly small increase, but it would offer a more flexible formula which would benefit the faculty member.

1c. Assuming that doubling the present retirement benefits would double the costs of the program, this estimate of costs would apply:

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lc. (Cont'd.)

Present Faculty and state payments $7,500,000.

Increased payments (double) 7,500,000.

Total yearly cost $15,000,000.

Costs divided on a two-thirds to one-third basis:

State retirement payments $10,000,000.

Faculty retirement payments 5,000,000.

Thus the state payments would increase $6,250,000. or 166%
and the faculty members payments would increase $1,250,000. or 33%,
for which the faculty member would receive double the present state retirement benefits.

When this benefit would be added, the UW fringe benefits would amount to only 12.5% of the salary budget.

1d. Eliminating the social security tax base from the retirement formula would increase the cost to the average faculty member (%12,000. salary) about $200. or 1.6% of his salary. His retirement benefits, based on the revised formula, would average about 6.2% more.

1e, 1f and 1g.

These figures could not be obtained by the committee because they need to be computed from actuarial tables. It would seem reasonable to assume that the excellent benefits to the few afflicted people involved would cost the state a negligible amount.

2. Hospital surgical care insurance $532,000.

Major medical insurance 116,000.

3. State group life insurance 276,000.
When the fringe benefits in recommendations numbers 2 and 3 above are added to the approved retirement benefits in 1c above, the fringe benefits at the University of Wisconsin would amount to only about 13.6% of the salary budget.

As seen in the table below, this amount would place UW about third in the Big Ten, IF the other schools do not increase their benefits.

<table>
<thead>
<tr>
<th>Big 10 School</th>
<th>Value of State Fringe Benefit Contributions as Percentage of Cash Salary*</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>11.5%</td>
</tr>
<tr>
<td>B</td>
<td>16.6%</td>
</tr>
<tr>
<td>C</td>
<td>12.9%</td>
</tr>
<tr>
<td>D</td>
<td>12.3%</td>
</tr>
<tr>
<td>E</td>
<td>11.5%</td>
</tr>
<tr>
<td>F</td>
<td>13.2%</td>
</tr>
<tr>
<td>G</td>
<td>10.1%</td>
</tr>
<tr>
<td>H</td>
<td>11.8%</td>
</tr>
<tr>
<td>I</td>
<td>14.2%</td>
</tr>
<tr>
<td>Wisconsin</td>
<td>8.4%</td>
</tr>
</tbody>
</table>

* UW MEMO, October 1, 1967
RECOMMENDATIONS

A RECOMMENDED LIST OF PRIORITIES ON FRINGE BENEFITS

The Faculty Welfare Committee recommends that Salary Related Benefits such as retirement, vesting, insurance, travel, etc. should be separated from Service Related Benefits which would make faculty members more valuable to their position, to students, and to the University.

These two kinds of benefits should be pursued at the same time, and should be coordinated rather than placed into opposition with each other. Therefore the committee has recommended parallel consideration of Salary Related Benefits and faculty Service Related Benefits. Both types of benefits should have equivalent priority and be pursued and awarded during the same time span.

RECOMMENDATION

"Whereas the University of Wisconsin ranks tenth in the Big Ten in Fringe Benefits (See Memo, October 1, 1967) with benefits valued at 8.4% of the salary budget, and

Whereas this places the University in poor position for obtaining and retaining a competent faculty:

The Faculty of the University of Wisconsin-Milwaukee urgently recommends that the University Administration, along with appropriate faculty groups work toward the rapid achievement of the following fringe benefits in the priority listed for the University faculty. A determined effort should be made to include these benefits in the next biennial budget, at the latest, in order to improve faculty welfare and to improve the University's competitive position among major universities."

SALARY RELATED BENEFITS

(For improved financial conditions)

1. Improvements in retirement provisions should be made:

a. Increased contributions by the State on behalf of the member to the re-

SERVICE RELATED BENEFITS

(For the improvement of the Faculty and the University)

1. Sabbatical leaves: There should be increased opportunities for leaves of absence including the addition of a Sabbatical Leave plan to the present Research Leave plan. Two plans are recommended as a starting point for the development of an improved Leave program:

a. A regular summer release plan every four years of University service for faculty with profes-

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tirement system. These payments must be vested and increased to 100% of the retirement assessment as soon as possible.

b. The formula for the computation of retirement income should be based on the average of any highest three years of salary payments.

b. It is further recommended that a beginning be made on a semester sabbatical Leave plan at regular salary for faculty members with professorial or tenure rank. This would become available for 20 years of full-time academic service. Each 4 weeks of summer session employment should be counted as 1/9 of a year.

In computing the years of service, at least 10 of these years should be in the University system. Academic service elsewhere shall be counted subsequent to a previous semester or year's sabbatical Leave. (Summer sabbatical Leaves would not be counted as a regular leave.)

c. The formula benefits should be markedly improved. Computations should be based on at least 1-1/2% for the first five years of service, 1-3/4% for the second five years of service, and 2% for services beyond ten years. (This would almost double the present state retirement plan.) "When this formula is adopted, two-thirds of the cost should..."
be borne by the state and
one-third by the faculty
member."

d. The social security tax
base should be eliminated
from any consideration in
the formula for computing
retirement allotments.

e. Present and future State
contributions to the re-
tirement system should be
restored as a death bene-
fit.

f. The present definition
of disability in the re-
tirement system should be
liberalized so as to con-
form at least with social
security definition of
disability, i.e. "Any
disability lasting one
year."

g. Disability benefits should
be available to a faculty
member after one year of
service rather than after
five years of service.

2. Full payment should be made
by the State in the basic plan
for hospital and surgical in-
surance with improvements in
the design of the benefits
purchased. Consideration
should be given to the addi-
tion of Major Medical benefits
to this plan.

2. Provide tuition and fee benefits
to faculty families.

a. Waive out-of-state tuition fees
for dependents of newly arrived
faculty.*

b. One fee-free course per semes-
ter should be granted the spouse
of a full-time faculty member.
3. The State Group Life Insurance plan should be improved.

4. Procedures should be instituted to separate the state schools of higher education from the other state retirement systems.

3. The University should assist the faculty in the planning, construction, and financing of Faculty Clubs.

4. The financial support for travel to attend professional meetings should be increased.

5. Emergency faculty lounge and restroom facilities should be provided in each University building.

6. There should be a rapid increase in faculty parking facilities at decreasing cost.

* The plight of the family of a newly-arrived faculty member is the same as that faced by all newly-arrived families who establish new homes in Wisconsin and similar adjustments in residency requirements should be sought for them.

(A simple change in the interpretation of regulation J on page 36 of the 1967-68 Catalog would effectuate such an improvement.)

"These recommendations are to be submitted to the UWM Administration, the University Administration, the ad hoc Committee on Fringe Benefits and the University Assembly for appropriate action.

Finally, it is recommended that the University Assembly appoint a committee which will work with the Administration to implement these recommendations and to work toward improvements in this important area of University fiscal problems."

Faculty Welfare Committee

Elizabeth Kerr
Elizabeth Ludwig
Arthur Else
Manuel Gottlieb
Ludwig Pauly
Arthur Schoeller, Chairman

UWM Fac. Doc. 433, Feb. 15, 1968