

**Progress Report on Implementing Recommendations of the  
Presidential Advisory Committee on Workplace Policies  
April 2006 Update  
*(updates in red font)***

1. *Insofar as possible, among its lower-wage Temporary and Casual employees, Stanford should implement the principle of wage parity which is already mandated in its “General Personnel Policies” for “all employees of the University.” This implies that Stanford Temporary and Casual employees should be assigned a specific position (job title) and be paid no less than the entry-level rate for that position. Currently, the cost of implementing this cannot be assessed because we do not require hiring departments to designate a specific job title or position code when hiring Temporary and Casual employees.*

Stanford will implement classifications for temporary and casual employees who work 20 or more hours per week, as mandated in the University’s General Personnel Policies for all employees, and direct Human Resources to take the steps necessary to ensure we are following this policy. This may require adding new classifications for certain categories of workers.

*Status: Human Resources is developing a classification and pay system that will support the hiring of temporary and casual employees into job classifications that accurately reflect their responsibilities. We are investigating several alternatives for a classification framework that will be functional and straightforward. Once we have developed a classification model, we will conduct the market analysis to determine appropriate pay ranges for these positions. These pay ranges will be updated annually. Our goal is to begin implementation of the new classifications and pay ranges in September 1, 2006. Because of the scope of this project, this will be a phased implementation.*

2. *Stanford University should modify the Administrative Guide Memo 22.10 on the grievance procedure so that all employees (including Temporary and Casual employees) are eligible to use this procedure. It should also make the grievance process and the language used to describe it less forbidding to employees and ensure that employees are educated about its purpose and how to use it.*

The University will modify the Administrative Guide Memo 22.10 to make it clear that all employees, including temporary and casual employees, are eligible to use the grievance procedure. The University also will continue its efforts to improve communication and education of employees regarding the grievance procedure.

*Status: The modified policy took effect September 1, 2005. The employee brochure that explains the grievance process was revised to reflect this change and was distributed in October 2005. The new policy is included in the Administrative Guide and can be found on the President’s Committee website.*

3. *If Stanford University operates a “living wage” policy for Contracted workers on campus, then Stanford Temporary and Casual employees should be paid no less than the “living wage” specified for these Contracted workers. If all Stanford employees who earned less than \$11.35 per hour in 2003 were brought up to \$11.35 and if their work hours did not change, this would have cost Stanford \$490,023 in 2003.*

The University will pay temporary and casual employees who work at least 20 hours per week no less than the living wage specified for contracted workers.

Status: This change will be implemented at the same time the new temporary and casual employee pay and classification structure is put in place.

4. *If Stanford operates a “living wage” policy, Stanford’s Temporary and Casual employees should receive other advantages that are specified for Contracted workers.*

The University will provide temporary and casual employees with compensated days off and access to ESL classes to the same extent they are provided under the living wage policy.

Status: Stanford employees who meet the living wage criteria of working at least 30 hours per week for one year as of September 1, 2006 will receive 10 days off with pay (prorated) each year and will be eligible to enroll in all training classes offered through Training and Organization Development (including but not limited to ESL) . These classes are offered on a no-charge basis.

5. *Stanford University should undertake an analysis of the costs and benefits of reinstating its temporary employment agency where among the benefits should be counted the superior ability to monitor labor standards and conditions of workers who are employees of Stanford University.*

Human Resources will undertake an analysis of reinstating a temporary employment agency.

Status: The final report has been completed by Human Resources. It can be viewed on the President’s Committee website ( <http://workplacepolicies.stanford.edu/>). The report recommends that Stanford not reinstate the in house temporary employment agency for the following reasons: 1) the decentralized nature of the university makes it difficult to ensure enough use to cover costs, 2) the potential savings are negligible and it is very possible this would result in cost increases due to low participation 3) an in house temporary agency that was designed to monitor and resolve work place issues and conditions would duplicate and overlap with existing resources such as the HR Managers, Ombuds office and existing grievance procedures.

6. *Regularly Stanford University should collect (in PeopleSoft) more detailed data on its Temporary and Casual employees as it does on its Regular employees. The University should monitor the use of Temporary and Casual employees and issue an annual report on their status that would confirm that the University’s policies on Temporary and Casual employees are being followed. This report would include the number of Temporary and Casual employees, the jobs they held during the year, their hours worked, and the length of their employment. This report should also include data on career advancement of these employees, the nature and number of issues brought to the grievance process, and a summary of issues addressed by the Worker Advocate. The cost of collecting the additional data in PeopleSoft would be the additional time it would take existing PeopleSoft users to enter several additional data fields. This is a minimal cost and is not estimated here. The cost to monitor the use of Temporary and Casual employees and issue the annual report is estimated to be the cost of a suitable 50 percent employee plus office overhead (space, supplies, computer, etc.).*

Human Resources will collect annual data on temporary and casual employees and ensure compliance with University policies for temporary and casual employees.

**Status:** Our first annual report will be issued by October 1, 2006.

*7. As a routine practice and as a condition of business, each contractor should be required to supply detailed evidence to the Office of Procurement of the number of its workers on campus, the type of work they perform, the equivalent Stanford job classification (if applicable), their rate of pay, the fringe benefits provided by the employer (if any), and the duration of the Stanford work assignment. The Procurement Office should issue an annual report on the status of workers employed by contractors who work on the Stanford campus including the number of such workers, the jobs they perform, the level of salary and benefits they receive, and so forth. This may require hiring an additional full-time employee. Also, the Procurement Office should ask contractors for an annual certification to ensure Contracted workers are legally permitted to work in this country.*

Contractors will be asked to provide an aggregate summary of the number of workers, the range of salaries paid them, and the fringe benefits provided on an annual basis. As this is confidential business information, the University will hold this information in confidence. If contractors do not provide this information, they will be required to supply the University with an annual certification that they are in compliance with the relevant University policies.

**Status:** Procurement has implemented the reporting requirements in each applicable agreement and the first annual report will be submitted December, 2006

*8. Some committee members believe that Stanford University should operate a “living wage” for Contracted workers on campus and other committee members believe Stanford should not. The cost of Stanford’s current “living wage” is impossible to compute given what little information is available on Contracted workers.*

Stanford reiterates its current policy to offer a living wage to contracted workers on campus.

*9. All committee members believe that if Stanford University operates a “living wage” policy, it should not attach so many conditions to its applicability that it has the effect of excusing many Contracted workers from that policy. A “living wage” policy that appends a string of conditions creates inequities among similar workers and risks giving the unfortunate impression that Stanford’s employment policies do not really mean what they are proclaimed to be. Hence, if a “living wage” policy applies, its scope should be expanded so that at least three of the current restrictions are removed. The costs of expanding the scope of Stanford’s “living wage” policy cannot be assessed because basic information about the number and earnings of existing Contract workers does not exist.*

Human Resources will review the living wage policy to determine if its applicability should be broadened by eliminating some of the exclusions so that more contracted workers are covered by its provisions.

**Status:** Human Resources recommendation follows:

Human Resources was to have its analysis completed and recommendation made by December 1, 2005. Due to staff shortages, this work was delayed and the recommendation was presented to the HR Policy Committee on March 8, 2006 where it was approved.

The President's Committee recommended that certain restrictions in the living wage policy be removed subject to understanding the impact of such a change. The items considered in this review were as follows:

- *Item 2. The contracts are for a term, in the aggregate, for at least a year.*
- *Item 5. Such workers are employed at least 30 hours per week for a period of six months, or whatever period the contractor designates for its employees to be considered "regular" employees.*
- *Item 6. Such workers are not represented under any existing collective bargaining relationship.*
- *Item 7. The aggregate value of the contract(s) exceeds \$100,000 per year*

If items 2 and 7 were eliminated, the number of contracts falling under living wage review would increase substantially and would require additional staff in Procurement to monitor. The current living wage guidelines result in a manageable number of contracts to monitor. It would be nearly impossible to identify and monitor small dollar contracts of limited duration. In fact, Procurement estimates that there are hundreds of small (dollar and duration) contracts that are entered into across the University each year. The cost of hiring staff to seek out and monitor such contracts would be onerous.

If item 5 were eliminated, contractor pricing would increase since all employees, even those hired to work for a few hours or few days, would fall under this policy. (We are not able to determine the degree of price increase since there is no information on the number of employees working for contractors who do not meet the criteria of working 30 hours per week for at least 1 year). Further, it is a normal practice for organizations to differentiate wages and benefits based upon hours worked or the duration of the working relationship and to pay a higher wage or provide benefits for employees who have gained experience and work stability with an employer.

If item 6 were eliminated, Stanford would be engaging in inappropriate interference in the collective bargaining process of its contractors.

Human Resources recommends that items 2, 5, 6, and 7 remain unchanged and continue as part of the living wage policy.

Human Resources appreciates the help and advice provided by the Procurement department in developing this response.

*10. If Stanford University operates a "living wage" policy, the Procurement Office should undertake regular audits to ensure that contractors covered by the "living wage" are in compliance.*

The University will develop a program to ensure compliance by contractors with the living wage policy. The program will be managed by Procurement.

Status: Procurement has modified all existing contracts subject to the living wage guidelines to require quarterly reporting and one of the additional provisions in the agreement is an audit provision giving the

Contractors notice that their compliance with the living wage guidelines is subject to audit. In addition, we have reserved time on Internal Audit's summer audit plan for them to conduct some audits.

11. *If Stanford University operates a "living wage" policy, Stanford should clarify who is responsible for conducting the annual review process that the current "living wage" policy mandates.*

The Procurement Office will have the initial responsibility of ensuring that contractors covered by the living wage policy have a contract provision requiring compliance with the policy and that they are in compliance.

Status: Human Resources has established the following process to conduct the annual review the living wage policy. This responsibility has been assigned to the Compensation Department. Each year, Compensation undertakes an in depth analysis of wage rates to determine if and how Stanford's pay structure should change. This process will now include an annual review of the living wage, in particular, the wage thresholds in the policy to determine if they should be revised. Compensation will make a recommendation to the HR Policy Committee. That Committee's recommendation will be reviewed with senior University leadership. Final recommendation will be sent to the President who will decide whether or not to accept the recommendation.

This recommendation will typically be made in late May or early June of each year. Any changes would take effect for new or renewed contracts on or after September 1 of each year.

On May 8, 2006, Stanford University announced a change in the living wage rates effective September 1, 2006. The new rates are \$11.15 per hour with benefits and \$12.59 per hour without benefits.

12. *In choosing among contractors, Stanford University is encouraged to select those contractors who have effective and meaningful grievance mechanisms for their workers.*

University departments will be encouraged to hire contractors who, in addition to being in compliance with all applicable laws, have good employment practices, including effective and meaningful grievance mechanisms for their workers.

13. *Some committee members believe Contract workers should have wage parity with Stanford employees doing similar work. Other committee members disagree and are troubled about the impact of this policy on Stanford's costs and on the well-being of low-wage workers.*

The committee did not make a recommendation on this point.

14. *We recommend that a new position – Worker Advocate – be created that would serve as an advocate for non-exempt Temporary and Casual employees and for any Regular employees outside the bargaining unit. This position would facilitate addressing their work-related issues and concerns. Given the current composition of Stanford's work force, the person who fills this role should be fluent in Spanish as well as English and should do proactive outreach to this group of employees. The Worker Advocate should have responsibility for identifying issues and elevating them to the appropriate University personnel for resolution. This individual should also have the skills to set up and facilitate the Worker Involvement Committees (see below). The cost would be the salary and benefits of filling this position plus office overhead.*

The University will create a pilot project within the Ombuds Office that makes it clear that its resources are available to non-exempt temporary and casual employees and all regular employees outside the bargaining unit.

**Status :** In order to increase access and awareness of the Ombuds services among Temporary and Casual employees, the Stanford Ombuds Office has disseminated information about the office through a variety of email, paper and web channels to the Stanford community, highlighting those departments who employ Temporary and Casual employees. Human Resource Managers have been notified and asked to pass along the information to workers within their departments. Ombuds Office publicity about its services will be disseminated annually in these ways.

The Ombuds Annual Report mentioned the Presidential Advisory Committee on Workplace Policies and the Ombuds availability to Temporary and Casual employees. This report was published in the Stanford Report and an additional article about the Presidential Advisory Committee also mentioned the Ombuds availability to Casual and Temporary workers.

In addition, the Ombuds brochure has been translated into Spanish and added as a link on the Ombuds home page. This brochure is also in PDF format and can be downloaded from the web, or requested from the Ombuds Office in paper form. Spanish translation services for Ombuds meetings are also now available.

*15. The University should establish Worker Involvement (WI) Committees in those areas of the campus where significant numbers of non-exempt, non-union Regular, Temporary, and Casual employees are employed (such as food and dining services). The WI Committees would consist of representatives of rank-and-file workers (who are not represented by a union) and their supervisors. The mission of these Committees is to give workers a voice over their working environment. The Committees are intended to provide a forum where workers can discuss ideas about how to improve the work environment and the quality of products and service. The cost of this recommendation includes the cost of establishing these Committees, ensuring they operate as designed, training supervisors and employees to be effective participants, and the lost output by workers attending these Committees. The individual who serves as the Worker Advocate (recommendation 14 above) might also set up the WI Committees, create the charter for how they operate, educate supervisors about their purpose, train those who participate in the Committees, and ensure follow-up to committee outcomes. This would be a skilled full-time position. It should be noted that firms have established these types of work groups to raise productivity, so there may well be efficiency gains from their operation that offset their costs.*

Human Resources will establish committees to identify opportunities (to the extent that they do not already exist) for input in those areas of the campus where significant numbers of non-exempt, non-union, Regular, Temporary, and Casual employees are employed. These committees will offer workers the opportunity to make suggestions to improve the work environment and the quality of products and service.

**Status:** A concept design for worker involvement committees, referred to as Staff Engagement Teams, has been developed. We have identified one department that is interested in participating and are seeking others. The goal of each pilot group is to give all members a voice in working together toward

improving the quality of products and services, and improving productivity through positive changes in the workplace. The groups do not serve as vehicles for resolution of grievances. Employees with such concerns will be referred to their Human Resources Managers and/or the Ombuds for appropriate methods of resolution, as are all other employees of the University. The first pilot group started in September and the second started in January. Depending on the outcomes of the pilot, recommendations will be made whether or not to expand the use of Staff Engagement Teams to other areas on campus.

*16. If possible and legal, the Worker Advocate and the WI Committees should be available to Contracted workers on campus.*

The University cannot interfere with the legal relationship between a contractor and its workers, but to the extent that the work of the contracted workers and regular University employees intersect, Stanford will explore providing access to the committees described in recommendation 15.

*17. The committee recommends that Stanford fund a pilot program in Residential and Dining Enterprises that would enable the University to determine if it should create a comprehensive educational development program for low-wage Temporary, Casual, and Regular employees. The pilot program would include an analysis and validation of what skills and abilities are necessary to achieve career growth at Stanford followed by an assessment of the current level of skills and abilities of employees in low-wage jobs. An advisory group should be set up to provide guidance and assistance to the pilot project.*

Human Resources will explore a pilot program to look at educational opportunities for career advancement and an advisory committee to evaluate the effectiveness of the many existing educational opportunities for workers and whether additional activities at Stanford should be made available.

**Status:** The project team that is working on this initiative has analyzed and validated the skills and abilities needed by program participants by reviewing existing educational development activities and programs at SU and through established agencies that serve populations with needs similar to those identified by the Presidents Committee (i.e. Stanford training and development course offerings, the WEL program, OICW, Springboard Forward; International Alliance in Service and Education; Harvard Bridge program). The project team has developed a high level program outline and concepts for program design. The lack of space on campus to implement the program has hampered further progress. Discussions are being held to determine how to resolve the space issue.

*18. If this pilot program is implemented on an ongoing basis, the committee recommends that imaginative sources of funding be explored that would have the effect of enlisting qualified educators and administrators and that would be eligible for research grant money. The University should also study the possibility of offering academic credit to undergraduate students (under the activity credit stipulation) who teach in such a program.*

If the pilot program in recommendation 17 is implemented on an ongoing basis, the advisory committee, working with the appropriate academic committee and the Haas Center for Public Service, will study the possibility of students becoming involved in offering some of these educational opportunities.

**This recommendation is contingent on the pilot program's success and permanent implementation. In the interim, this recommendation will be forwarded to the Haas center for consideration.**

*19. A review of STAP fund policy could be explored that allowed STAP fund donations to the program from employees who do not intend to use their STAP allocation or considering extending some level of STAP funds to Temporary and Casual employees.*

STAP funds are designated for individual use, but Human Resources will review policies that might extend some level of STAP funding for Temporary and Casual employees, perhaps as part of the advisory committee referred to in recommendation 17.

**Status: Those employees who meet the criteria set by the living wage policy as of September 1, 2006 (work at least 30 hours per week for one year) be eligible to receive an annual \$400 STAP benefit to be used on the same basis as other employees use STAP.**

*20. In the event that Stanford employees engage in efforts to unionize, Stanford University should discuss with the respective union(s) specific actions that would foster a respectful and civil climate in which union organizing will take place. Stanford should encourage its tenants and the Hospitals to aspire to the same elevated standards.*

Stanford agrees that if Stanford employees engage in efforts to unionize, it will examine ways in which the University and the respective labor organizations can promote a respectful and civil climate in which decisions about union representation can take place. Stanford does not interfere in the employment policies of its tenants or the hospitals, but does expect them to meet all requirements of the law, including those relating to union activity.

*21. Stanford University should pledge that it will take affirmative actions so that the decision of its employees concerning representation by a labor organization is made free from coercion, intimidation, threats, and promises to employees conditional upon the outcome of the vote.*

In the event of a union organizing campaign, Human Resources will take appropriate steps to ensure that decisions of Stanford's employees concerning representation by a labor organization are to be made free from coercion, intimidation, and threats by any party.

*22. In any union certification campaign, both Stanford University and the relevant labor organizations should communicate only that which they believe to be factual and to do so in a manner that avoids personal attacks on officers, managers, supervisors, employees, and representatives of Stanford and the unions.*

The University agrees that in any union organizational campaign all parties should communicate only that which they believe to be factual and to do so in a manner that avoids personal attacks on individuals. Human Resources will include this as a subject for future negotiation with union representatives.

*23. When union organizing campaigns take place of Stanford employees, Stanford University should avoid using consultants with a record of having advised other employers during organizing campaigns where those employers were subsequently found guilty of unfair labor practices. Stanford should encourage its tenants and the Hospitals to behave in the same way.*

When and if union organizing campaigns take place, Stanford, in accordance with past practice, will avoid using consultants who have a demonstrated record of unethical or illegal behavior and will encourage the union organizers to do the same.

24. *Some committee members believe that Stanford should communicate to employees about unionization only in voluntary meetings provided the union takes reciprocal steps that would have the effect of turning down the temperature during union certification campaigns.*

If there is a union organizing drive on campus, Stanford will work diligently to create a civil discourse on the issues involved.

25. *We recommend Stanford University develop new, more accurate, definitions to describe the types of jobs that are performed. Departments would need to reclassify employees into these new categories. These new definitions are: **Regular full-time employees** – Employees who work a regular or predetermined schedule of forty hours per week. Eligible for Stanford-sponsored health and welfare benefits. **Regular part-time employees** – Employees who work a regular or predetermined schedule of less than forty hours per week but at least twenty hours per week. Eligible for Stanford-sponsored health and welfare benefits. **Limited part-time employees** – Employees who work a regular or predetermined schedule of less than twenty hours per week. Not eligible for Stanford-sponsored health and welfare benefits. **Casual employees** – Employees whose schedule is intermittent, as required. Includes employees who are on call, that is, who work only when the hiring department has work available. Not eligible for Stanford-sponsored health and welfare benefits. **Temporary employees** – Employees who are appointed for up to six consecutive months at any percentage of time. If duties are technical, maintenance, or service duties, employees may be appointed for up to four consecutive months at any percentage of time. Not eligible for Stanford-sponsored health and welfare benefits.*

The University will adopt these definitions for employee classifications and direct Human Resources to take steps to implement these new definitions.

**The committee's recommendation sought to create a more accurate classification system. It is not clear that these categories are the most appropriate way to achieve that objective. In addition, the new system would be expensive to implement. For that reason, Human Resources, with the President's direction, will revisit the issue to determine the most effective system to accomplish the objective.**

26. *In general, the costs of changes in Stanford's labor policies ought to be assessed before these changes are implemented. The cost of undertaking these assessments will vary with the policy changes proposed.*

The University will assess the cost of the proposed changes prior to implementation.

27. *Before 31 December 2006, Stanford University should issue a report to the community that specifies the actions that the University has undertaken in response to this committee's recommendations.*

Human Resources will issue a follow-up report no later than December 31, 2006, detailing the University's actions made in response to these recommendations.