REPORT OF THE STUDENT ASSEMBLY COMMITTEE ON STUDENT EMPLOYMENT AND WAGES

Approved By the Student Assembly: March 21, 2024

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EXECUTIVE SUMMARY

- Cornell University's current undergraduate minimum wage is only \$15.00 per hour substantially less than the Ithaca living wage of \$24.64 per hour;
- Other leading national universities, including Dartmouth, Syracuse, SUNY Binghamton, Duke, Johns Hopkins, the University of Michigan, and UIUC, pay up to 75% of their locality's living wage Cornell significantly trails this, paying 60% of the Ithaca living wage; and
- Raising the undergraduate minimum wage to \$18.48 (75% of the Ithaca living wage) would cost only 0.11% of Cornell's annual budget.

SECTION 1: BACKGROUND INFORMATION

In fiscal year (FY) 2023, Cornell University employed 9,877 undergraduate students with a total wage expenditure of \$26,309,341. The average hourly wage for these student employees was \$15.61, calculated from a total of 1,685,381.59 hours worked. On average, each student worked 170.64 hours throughout the year. Figure 1, below, details the source of funding for student employment costs. The total cost of employment to the university, excluding government appropriations, contracts, and grants, is \$21,584,442.\(^1\) For context, the university's annual operating budget was approximately \$5.8 billion in FY 2023.\(^2\) The living hourly wage for a single adult in Ithaca, NY, per MIT's Living Wage Calculator, is \$24.64 per hour.\(^3\)

Figure 1. Breakdown of Funding Sources.

WAGE TYPE	FUNDING TYPE	FUND GROUP and NAME	SUM of EARNINGS	
Federal Work Study	Federal	CG - Contract & Grants	\$2,216,460	
	Institutional	AP - Government Appropriations	\$13,293	
		CG - Contract & Grants	\$95,750	
		GN - General Funds	\$1,404,717	
		RG - Restricted Gifts	264,807	
FWS Total			3,995,027	

¹ Information provided by Cornell University Office of Financial Aid and Student Employment

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²https://finance.cornell.edu/financial-guide/operating-budget-sources-and-uses

³https://livingwage.mit.edu/metros/27060

WAGE TYPE	FUNDING TYPE	FUND GROUP and NAME	SUM of EARNINGS	
Non-FWS	Institutional	AP - Government Appropriations	\$212,427	
		CG - Contract & Grants	\$2,186,970	
		GN - General Funds	\$17,283,787	
		PL - Plant Funds	\$2,083	
		RG - Restricted Gifts	\$2,629,047	
Non-FWS Total			22,314,315	
Total Wages			26,309,342	
CG - Contracts & Grants includes federal, state, other government, non-government, and sponsored gift funds (including, but not limited to research grants).				

AP - Government Appropriations includes both federal and state appropriations.

SECTION 2: INFLATION-ADJUSTED WAGE CALCULATIONS

The general trend of student wages over the past six years are slight annual above-inflation wage increases; this, however, is not a uniform trend. The average year-over-year inflation adjusted wage level ranges from 2.5% growth per year for the lower end of Tier I, which is set equal to the state's minimum wage, to -0.28% each year for the upper end of Tier IV. The lack of uniformity of wage increases means the potential for wage growth in student jobs arbitrarily varies from job to job.

Figure 2. Yearly Average of Inflation Adjusted Wage Increase Percentages.

Inflation Adjusted Wage Level % Change Year-over-Year Average 2018-2024				
Tier	% Change (Min)	% Change (Max)		
Tier I	2.53%	1.72%		
Tier II	2.41%	1.56%		
Tier III	2.11%	0.79%		
Tier IV	1.62%	-0.28%		
Average	2.17%	0.95%		

Over the past six years, the lower end of each tier has increased above inflation due to annual mandatory New York State minimum wage increases, an effect that trickles from Tier I down throughout the lower end of the other three wage tiers. However, the upper end of each wage tier — the cap on which an employer may pay an employee in a particular job — has grown more

RG – includes restricted gifts and endowment income funds

slowly than the lower end, meaning that range of each wage tier has shrunk. The average growth over the last six years (when adjusted for inflation) for the low end of all tiers is 13.6%, whereas for the top end of 6.0% over the same period. The effect of this is relative lowering of the highest potential wage managers may pay their employees.

To remedy this issue of tiers shrinking and arbitrary variation, this report recommends that all tiers are uniformly tied to inflation (through the New York State minimum wage) to prevent future shrinking. Additionally, the high end of the tiers can be adjusted as necessary to reverse this trend.

Figure 3. Total Inflation Adjusted Wage Percentage Increases.

Inflation Adjusted Wage Level % Change 2018- 2024				
Tier	% Change (Min)	% Change (Max)		
Tier I	15.92%	10.78%		
Tier II	15.09%	9.46%		
Tier III	13.21%	5.04%		
Tier IV	10.17%	-1.28%		
Average	13.60%	6.00%		

SECTION 3: PEER COMPARISON

On average, Cornell's peer institutions pay about 60% of their respective areas' living wage, as determined by the MIT Living Wage Calculator. As mentioned earlier, MIT determines the living wage in Ithaca to be \$24.64 as of 2024. In the context of exorbitant rent rates in Collegetown, in addition to the costs of travel to and from the Ithaca area, the living wage may be more than \$24.64 for Cornell students. Cornell's student worker minimum wage of \$15 per hour fulfills about 60% of the MIT-determined minimum wage. Even the slightly higher average hourly wage of \$15.61 only meets about 63% of the cost of living.

Elite universities across the country fail to meet the financial needs of their students; Cornell is no exception. Cornell is fairly comparable to its self-described public and private peer universities in meeting the MIT Living Wage.⁴ Though Cornell is comparable to some other Ivy League universities, it falls short of the pay scale used by Dartmouth, the most geographically similar to Cornell.

⁴https://www.chronicle.com/article/who-does-your-college-think-its-peers-are

Cornell notably lags behind its upstate peers, which provide student minimum wages that meet up to 76% of the MIT Living Wage for their counties. Students at these upstate peer institutions bear similar costs of travel to and from and are impacted by a lack of public transportation. Additionally, rent and cost of housing in Ithaca, specifically Collegetown, are significantly higher than in other college towns in upstate New York.

Cornell is substantially behind other major universities such as Dartmouth, Syracuse, SUNY Binghamton, Duke, Johns Hopkins, University of Michigan, and University of Illinois, Urbana-Champaign. Home to one of the country's best labor studies schools, Cornell should be at the top of its class for fair wages and labor practices, including for its student workers; it can achieve this by paying a minimum of 75% of Ithaca's living wage.

Figure 4. Wage Comparison with Peer Institutions.

INSTITUTION	INST. MIN PAY	NST. MIN PAY LOCAL MINIMUM		% OF LIVING WAGE	
<u>Cornell</u>	\$15.00	\$15.00	\$24.64	60.88%	
IVIES (average)	\$13.98	\$12.38	\$25.46	55.62%	
<u>Dartmouth</u>	\$16.25	\$7.25	\$21.41	75.90%	
<u>Harvard</u>	\$15.00	\$15.00	\$30.04	49.93%	
<u>Yale</u>	\$13.50	\$14.00	\$23.20	58.19%	
<u>UPenn</u>	\$8.00	\$7.25	\$22.29	35.89%	
<u>Brown</u>	\$14.00	\$13.00	\$23.23	60.27%	
<u>Columbia</u>	\$16.00	\$16.00	\$33.31	48.03%	
Princeton	\$15.13	\$14.13	\$24.74	61.16%	
UPSTATE (average)	\$15.17	\$15.00	\$21.40	71.05%	
<u>Colgate</u>	\$15.00	\$15.00	\$23.59	63.59%	
<u>Syracuse</u>	\$16.00	\$15.00	\$20.99	76.23%	
<u>Hamilton</u>	\$15.00	\$15.00	\$20.42	73.46%	
<u>Rochester</u>	\$15.00	\$15.00	\$21.60	69.44%	
Binghamton	\$15.00	\$15.00	\$20.80	72.12%	
<u>Buffalo</u>	\$15.00	\$15.00	\$20.99	71.46%	
PRIVATE (average)	\$14.90	\$13.23	\$26.18	55.86%	
<u>MIT</u>	\$12.00	\$15.00	\$30.04	39.95%	
<u>Georgetown</u>	\$15.20	\$17.00	\$23.90	63.60%	

Stanford	\$17.25	\$15.50	\$32.99	52.29%	
Boston Univ.	\$15.00	\$15.00	\$31.67	47.36%	
<u>Duke</u>	\$15.75	\$7.25	\$23.81	66.15%	
<u>NYU</u>	\$15.00	\$16.00	\$16.00 \$33.31		
Rice	N/A	\$7.25	\$20.83	N/A	
<u>Northwestern</u>	\$14.00	\$14.00	\$23.69	59.10%	
Johns Hopkins	\$15.00	\$13.25	\$20.43	73.42%	
Wash. U. St. Louis	N/A	\$12.00	\$21.10	N/A	
PUBLIC (average)	\$14.83	\$13.41	\$24.54	60.53%	
<u>UMich</u>	\$15.00	\$10.10	\$22.76	65.91%	
Rutgers-New Brunswick	\$15.13	\$14.13	\$25.68	58.92%	
UCLA	\$16.80	\$16.90	\$27.57	60.94%	
UW Madison	\$10.00	\$7.25	\$21.38	46.77%	
UI Urbana-Champaign	\$14.00	\$14.00	\$19.95	70.18%	
UC Berkeley	\$18.07	\$18.07	\$29.87	60.50%	

SECTION 4: POLICY RECOMMENDATIONS

A. Economic Recommendations

(1) Wage Increase.

No Cornell student should be making under 75% of the Ithaca living wage of \$24.64. In order to meet this threshold, the minimum pay for Tier I must be at least \$18.48 per hour. Applying this percentage increase across the board would lead to a 23.2% wage increase in the bounds of all four tiers, as shown in Figure 3. Note that these are estimated changes in the tiers; additional adjustments may need to be made in order to account for the tier-shrinking phenomenon described in Section 2. Also note that bounds of Tier IV, both in the current and proposed wage scale, are substantially further apart than the other tiers; additional adjustments may need to be made.

Section 1 outlines the cost of student employment to the university, with total expenditures at \$26,309,341, and direct university cost at \$21,584,442. A 23.2% increase in expenditures, corresponding with the wage increase, would result in a \$6,103,767 in additional spending (before accounting for FWS, government appropriations, and other grants). For context, the increase in the

total student wage expenditure equals just over one-tenth of one percent (0.11%) of the university's FY 2023 operating budget: a cost that Cornell can certainly afford to bear.

Figure 5. Proposed 2024 Wage Scales.

Tiers	2024 Wa	Vage Levels Proposed % C		% Change	Prop. 2024 Wage Levels		Prop. % of Living Wage	
Hourly \$/%	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum
I	\$ 15.00	\$ 16.75	23.20%	23.20%	\$ 18.48	\$ 20.64	75.00%	83.75%
II	\$ 15.25	\$ 18.05	23.20%	23.20%	\$ 18.79	\$ 22.24	76.25%	90.25%
III	\$ 15.85	\$ 19.60	23.20%	23.20%	\$ 19.53	\$ 24.15	79.25%	98.00%
IV	\$ 17.00	\$ 24.75	23.20%	23.20%	\$ 20.94	\$ 30.49	85.00%	123.75%

(2) Cost-of-Living Adjustment.

Cornell's undergraduate minimum wage has historically been equal to New York's statemandated minimum wage for Upstate New York.⁵ Beginning in 2027, New York's minimum wage will be adjusted with the Consumer Price Index annually. Accordingly, Cornell's undergraduate minimum wage should increase at no less than the percentage rate increase of New York State's minimum wage. This would make Cornell superior to the state in paying a living wage while having a consistent adjustment mechanism.

B. Other Recommendations.

(1) Clarity & Equity in Job Postings.

Navigating campus employment opportunities can be challenging for students, particularly with the abundance of job listings on platforms like Workday. Additionally, New York State law mandates that job postings be made public for a specific duration, even if a candidate is already being considered for the position. This has led to confusion among students regarding which jobs are genuinely open to all applicants and which are posted merely as a formality. To address this issue, we propose the implementation of clarified job listings for campus jobs, along with appropriate disclaimers for positions already earmarked for specific candidates.

The primary objective of this proposal is to enhance transparency and clarity in campus job postings, thereby improving the student experience and promoting fairness in the hiring process. By clearly indicating whether a position is open to all applicants or if preference is given to specific groups, such as students in particular classes or programs, we aim to empower students with accurate information to make informed decisions about their job search.

⁵Information provided by Cornell University Office of Financial Aid and Student Employment

By establishing clarified job listings with appropriate disclaimers, we can promote fairness, transparency, and accessibility in campus employment opportunities. This initiative aligns with Cornell's commitment to providing a supportive and inclusive environment for all students. We believe that by implementing these measures, we can streamline the job search process and empower students to pursue meaningful employment opportunities during their time at Cornell.

Policy Implementation:

- Disclaimers for Pre-Selected Candidates: For positions where candidates have already been identified or where strong preferences exist for certain groups of students, a disclaimer will be included in the job posting on Workday. An example disclaimer could be: "Strong preference is given to students in X class." This will ensure transparency and manage expectations among potential applicants.
- Centralized Job Listing Review: A review process will be implemented to ensure consistency and accuracy in job postings across all Cornell departments. This process will involve verifying the necessity of disclaimers and ensuring compliance with university policies and legal requirements.

(2) Student Employment Job Fair.

The vast array of job opportunities available on Workday presents a significant challenge for students, particularly first-years and transfers, who are navigating campus employment for the first time. Many of the listed positions require varying levels of skill, making it overwhelming for students to identify suitable entry-level opportunities. To address this issue and enhance accessibility to campus employment, we propose the establishment of a semesterly Student Employment Job Fair.

The primary objective of the Student Employment Job Fair is to streamline the process of finding campus jobs, especially for students utilizing Federal Work Study (FWS). By creating a centralized space for students to explore entry-level employment opportunities, gain insights into the application process, and receive in-person assistance, we aim to alleviate the confusion and stress associated with seeking a campus job.

The Student Employment Job Fair will be structured similarly to ClubFest. It will take place within the first two weeks of every semester to coincide with the peak time for student job searches. Supervisory representatives from various Cornell departments currently hiring for entry-level positions will be invited to participate in the fair.

The establishment of a semesterly Student Employment Job Fair will not only simplify the process of finding campus jobs but also foster a stronger sense of community engagement and support among students and departments. By creating a collaborative space for job seekers and employers, we aim to enhance the overall student experience and contribute to the success and well-being of our campus community. Together, we can make campus employment more accessible and rewarding for all Cornell students.

Policy Implementation:

- *Job Listings and Information*: Participating departments will showcase available positions, along with detailed job descriptions and eligibility criteria. This will help students understand the range of opportunities and the skills required for each role. Students will have the opportunity to discuss and ask questions with the people hiring them.
- On-the-Spot Applications: Students will have the opportunity to apply for jobs directly through Workday at the fair. This instant application process will streamline the hiring process for both students and departments, facilitating quicker placements. In speaking in person with the supervisors at these potential jobs, students may ask questions and find jobs that are best suited for them.
- *In-Person Support*: Trained staff and volunteers will be present at the fair to offer personalized assistance to students about how student employment works and how to find the type of job they are looking for. Information and resources regarding Federal Work Study will be available to students

(3) Voluntary Recognition and Union Neutrality.

Considered an industry leader when it comes to labor relations, Cornell should proactively agree to card check neutrality in union elections. "Card check" refers to a method where employees sign authorization cards to indicate their desire to join a union. The employer voluntarily recognizes the formation of a union once a majority of cards are signed, eliminating the need for a traditional secret ballot election. "Neutrality" in this context refers to Cornell University agreeing to remain impartial and not interfere with the unionization process, allowing employees to make their own democratic decisions without coercion or influence from the university administration. As the home of the ILR School, renowned for fostering constructive labor-management relations, Cornell has a responsibility to uphold neutrality in such matters. These policies not only affirm Cornell's position as a leader in labor relations but also foster a more harmonious relationship between the university and its workers. By adopting voluntary recognition

⁶https://blog.dol.gov/2023/02/24/research-snapshot-why-more-employers-are-voluntarily-recognizing-unions

⁷https://www.dol.gov/sites/dolgov/files/general/workcenter/Neutrality-Guidance.pdf

and neutrality policies, Cornell commits to equitable labor practices and the welfare of all its workforce.

Policy Implementation:

• Card-Check Neutrality: Cornell will commit to agreeing to a card-check authorization process with any future union organizing campaign involving Cornell undergraduates. Additionally, it will commit to remaining fully impartial and not interfere with the unionization process in the event of an organizing campaign.

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