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November 17, 2012

ROBERT L. POWELL, CHAIR

University of California
Academic Council
1111 Franklin Street, 12th Floor
Oakland, CA 94607

Re: Proposed Negotiated Salary Trial Program – UC-wide Review

The proposal was forwarded to all Davis Division of the Academic Senate standing committees and Faculty Executive Committees within the schools and colleges for comment. Detailed responses were received from the Committees on Affirmative Action and Diversity and Academic Personnel-Oversight, as well as the Faculty Executive Committee from the College of Letters and Science.

In December 2011, the proposed Negotiated Salary Program, specifically the New Policy APM 668, was reviewed and not supported by the Davis Division of the Academic Senate. The previous year's official response is enclosed for continuity.

Currently, there is no support for the trial as proposed. Several of the committees reiterated their concerns expressed in response to the APM 668 proposal review. In particular, they echoed that shifting salaries to external sources will create salary differentials and inequities for faculty who are ineligible for grants that enable salary shifts, and the College of Letters and Sciences Faculty elaborated that they have already been subjected to the unfair procedure of assessing budget cuts through the college's ability to move faculty salaries to grants. The issue of shifting salary sources leading to the defunding of graduate students was also repeated.

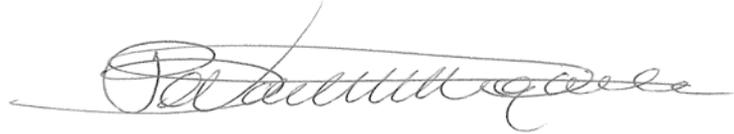
Generally, the Affirmative Action and Diversity Committee is in favor of a plan that makes UC more competitive with other institutions, since many faculty members who are underrepresented minorities are often recruited away by more favorable salaries. However, they expressed several specific concerns with the pilot, stating that the plan should further define allowable sources of income, and that some of the allowable sources mentioned could drive up student costs due to the increased pressure to increase faculty salaries. They also expressed concern that Academic Federation faculty is not included in the pilot program.

The Committee on Academic Personnel-Oversight (CAP) continues to have significant concerns. The pilot will effectively create a separate salary negotiation process. CAP finds it inappropriate to become involved in annual actions or evaluations separate from the standard merit cycles. CAP would prefer to have a retrospective role in assessing the impact of a negotiated salary agreement as a part of the next merit assessment, not before.

In closing most official responses as well as conversations concerning the trial program echo the concern of the College of Letters and Science faculty. How can the UC push forward with a trial program based

on a proposal that received “significant push-back” system-wide? The fact has not changed that this program in trial form represents a ‘foot in the door’ to a policy that was already heavily criticized and frankly rejected by a significant number of the very individuals it was purported to benefit. It is also hard to see how the program, if it is genuinely a trial program, could be used as a tool for recruitment and retention. Its potentially temporary nature would surely greatly undermine its effectiveness.

Sincerely,

A handwritten signature in cursive script, appearing to read "Bruno Nachtergaele". The signature is written in black ink and is positioned above the typed name.

Bruno Nachtergaele, Chair
Davis Division of the Academic Senate
Professor: Mathematics

Enclosure: December 2011 Davis Division Response: APM 668 Proposal



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December 8, 2011

ROBERT ANDERSON, CHAIR

University of California
Academic Council
1111 Franklin Street, 12th Floor
Oakland, CA 94607

**Re: Systemwide Review of Proposal to Establish APM 668, Additional Compensation:
Negotiated Salary Program (NSP)**

The proposal was forwarded to all Davis Division of the Academic Senate standing committees and Faculty Executive Committees within the schools and colleges for comment. Detailed responses were received from the Committees on Affirmative Action and Diversity, Academic Personnel-Oversight, Faculty Welfare, Planning and Budget, Research and Graduate Council. In addition the Faculty Executive Committees from College of Agricultural & Environmental Sciences, School of Education, College of Engineering, College Letters and Science, and Graduate School of Management commented.

There is no support for the policy as currently written. As stated by the Graduate School of Management Faculty and supported by select respondents, "There is support for the foundational premise of aligning incentives to pursue opportunities that are beneficial to the research mission of the university while offering revenue sharing." However, many respondents desire adherence to the current appointment, merit and promotion process. The reliance on off scale salaries in lieu of adequately funding the faculty salary scales is seen as undermining the fairness and equity attempted through the peer review process. Additionally, there is grave concern regarding the potential impact of the policy, if implemented, on graduate education.

The Committee on Faculty Welfare states, "This proposal seeks to address a real problem: retaining our best faculty during a time of scarce resources. The method it offers, however, is flawed. Eligible faculty would have to be judged in "good standing" according to the chair of their department and then negotiate with the chair to augment their salary from grant(s) they had previously acquired. The successful implementation of this program would only produce a temporary increase in faculty salaries, lasting as long as their grants. The prospect of placing some of our most successful faculty on a monetary roller coaster, rising and falling with available grant resources, hardly makes their retention more assured."

Professor Joe Kiskis opined, "Since almost all faculty would be "in good standing," and thus, in principle, eligible for an NSP salary increase, essentially everyone would have an incentive to constantly petition their department chair and dean for an NSP. The new process for determining an NSP requires proposals and review with participation from the faculty members making requests, department chairs, and the EVC/Provost. Of course this is in addition to the administrative overhead of the existing personnel processes." Committee on Research asked, "Would the department chair have the final say regarding whether faculty can participate?"

The Committee on Research "understands that the School of Medicine already participates in a similar negotiated salary program. The main concern is that the proposed negotiated salary program would create two tiers of faculty on campus. Faculty in disciplines that have the ability to receive large external grant funding would be able to participate in the program. Faculty in other disciplines where receiving large external grant funding is more difficult would not have the same opportunity to participate in a negotiated salary program. The negotiated salary is "soft money" and can go away unlike "off-scale salaries" in the traditional salary plan. The concern is that researchers can lose research assistants and other staff if grants are not renewed." Further, the College of Letters and Science Faculty states, "The proposed policy almost automatically excludes Humanities faculty, as they rarely have applicable funding to which to appeal for increased compensation, and appears to be formalizing a permanent, two-tier compensation system, which is deplorable."

Several respondents expressed concern that the proposed policy may create or exacerbate faculty salary gender equity issues as reported in the recent document from UCAAD. Such a consequence is unacceptable.

The Committee on Academic Personnel-Oversight (CAP) opined that the proposed policy seeks to create, "a parallel evaluation system in the hands of department chairs, which would reduce the traditional role of the Academic Senate (CAP in particular) and the significance of traditional faculty merit processes." This is a perspective shared by many responding to the item. Further, "Success in securing extramural funds, in the fields where funds are available and needed for research, is one element considered by CAP in determining its recommendations for appointments, merits and promotions. Therefore, the proposed NSP impacts the role of CAP in that it additionally rewards faculty for securing extramural funds outside of the normal merit and promotion system. If APM 668 is approved, should CAP then change the way it weights and evaluates extramural funding?"

As pointed out by Graduate Council, "while it will be up to funding agencies to evaluate the competitiveness and compliance of funding proposals based on proposed APM 668, it is clear that its potential negative impact on the larger research ecology that has supported the development of new generations of researchers violates the spirit of mentorship and training long associated with publicly funded research at universities like UC Davis." Additionally, "Altering incentives will likely result in faculty spending more time focused on writing grant proposals and managing funding, less on mentoring graduate students and less on teaching. To optimize chances of obtaining grant funding, science faculty will have an incentive to hire postdoctoral fellows rather than graduate students. Postdoctoral fellows arrive in the laboratory trained and are more productive in terms of immediate research output than graduate students. Using postdoctoral students to support research gives the opportunity to engage in grant writing both personally and to use the postdoctoral scholars as ghostwriters for additional proposals submitted in the name of the faculty." Is this the behavior we wish to encourage as a result of the proposed incentive?

The proposal includes a provision for a "contingency fund." This is mentioned but not described in the proposed policy language. Implementation of this fund is another item at the discretion of chancellors. From the material accompanying the proposed policy, one concludes that the purpose of the contingency fund is to serve as an insurance policy. In the examples in that accompanying material, there would be a tax on the state-funded, pre-NSP base salary of participating faculty members (3% in the examples). The combined money thus collected would make a campus contingency fund that would be used to continue the NSP for any faculty member for the duration of the NSP agreement even if the external fund source from which the NSP is drawn disappears. So, state money is set aside to insure that the salary increases of NSP participants are continued even if the external funds are not available. Who would be required to pay the 3% "contingency fund" tax; only faculty that participate in the program or all faculty members?

The Davis Division of the Academic Senate does not support the policy as written.

Sincerely,



Linda F. Bisson, Chair
Davis Division of the Academic Senate
Professor: Viticulture and Enology