



Davis Division Academic Senate

Request for Consultation Responses

Systemwide Review: Proposed New Policy APM 668 (Additional Compensation: Negotiated Salary Program)

November 28, 2011

The proposed new APM 668 is distributed for systemwide review by the Academic Senate. The policy was developed based upon a joint UC Senate/Administration Steering Committee agreement that a policy-based additional compensation program was needed to maintain UC competitiveness in general campus faculty compensation.

Administrative Partners (DANN TRASK)

December 8, 2011 5:16 PM

Dear Professor Bisson,

The L&S Executive Committee has reviewed the proposed new UC APM Section 668 and has some significant concerns. Among those concerns are:

- It appears to be formalizing a permanent, two-tier compensation system, which is deplorable.
- It almost automatically excludes Humanities faculty, as they rarely have applicable funding to which to appeal for increased compensation.
- It appears to reward the “squeakiest wheels” among the faculty (which already occurs to some extent because of our retention policies).
- It may exacerbate the salary differences by gender noted in the recent Salary Equity Study by UCAAD.

While the Executive Committee understands the motivation behind the proposal, we strongly oppose this mechanism for achieving the apparent policy goal. It could well create even more inequities among the faculty.

Sincerely,

Abigail Thompson, Chair
Executive Committee
College of Letters and Science

Affirmative Action & Diversity

November 9, 2011 9:34 AM

Affirmative Action & Diversity Committee reviewed Proposed New Policy APM 668 (Additional Compensation: Negotiated Salary Program) and has the following response and recommendations regarding the implementation of this program:

Department chairs should ensure that all potentially eligible faculty are aware of the negotiated salary program.

In weighing whether “faculty members are making significant contributions to the University mission,” contributions to diversity should be considered and included in the list of examples – i.e., along with “external recognition, research dissemination, educational innovation, and the generation of non-state appropriated funding to support faculty activities.”

On-going monitoring of the program should take place. Specifically, records should be kept of the following: (a) number of faculty that apply for the program broken down by campus, college, rank, gender, and ethnicity; (b) number of faculty that are approved and denied for the program broken down by campus, college, rank, gender, and ethnicity.

CAP Oversight Committee

November 21, 2011 9:28 AM

Proposed New Policy – APM 668

(Additional Compensation: Negotiated Salary Program)

1. CAP strongly believes that its role is to evaluate faculty scholarship and achievements, and that CAP should not become involved in issues of salary negotiation. A concern is that the Negotiated Salary Program (NSP) could involve CAP in determining such issues as faculty in “good standing” or that CAP could be asked to provide evaluations of faculty for use in negotiated salaries.
2. 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?
3. CAP is concerned that APM 668 would establish 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.
4. The August 26, 2011 letter and materials from Vice Provost Carlson states that a more flexible compensation plan must be found that “assures that the required mix of teaching, research and creative activities, and service remains.” CAP would like to understand more fully how the NSP would achieve this goal.
5. CAP is concerned that since a goal of the NSP is to “encourage faculty to engage in activities which bring external support to the university,” it will alter and influence research interests and activities in a way that is not consistent with the traditional role of independent scholarship at the University of California.

CAP is concerned that the NSP policy could further exacerbate, through several causes, gender salary inequalities at UC Davis.

Council of School & College Faculty Chairs (AGRICULTURE)

December 3, 2011 12:18 PM

The Negotiated Salary Program appears to require significant time and energy to administer. All faculty can request to negotiate their salary, even with a lack of appropriate monies to support an increased salary. As written, the proposal would increase inefficiency and be a burden to administer.

Council of School & College Faculty Chairs (EDUCATION)

November 21, 2011 8:07 AM

The SOE will not support this measure.

Council of School & College Faculty Chairs (ENGINEERING)

November 26, 2011 2:54 PM

The College of Engineering Executive Committee has serious reservations regarding the current wording of APM 668. There is no wording in the APM that ties the negotiated salary paid to a faculty to non-state funds generated by that faculty member. The remainder of our concerns with the wording are well-articulated in the letter from the CAP Oversight Committee dated Nov. 10, 2011.

However, we are in basic agreement with the potential for the Negotiated Salary Program to offer short term monetary rewards to faculty for truly extraordinary efforts associated with procurement of research funds or overload teaching. For example, currently there is no viable way to reward faculty who are PIs on successful center or training grant applications. We don't believe that teaching relief for such efforts is necessarily appropriate because teaching is expected in merit packages and many faculty enjoy teaching. The Negotiated Salary Program, properly administered, could offer appropriate rewards and encourage extraordinary efforts.

Council of School & College Faculty Chairs (MANAGEMENT)

October 24, 2011 8:52 AM

per the last meeting of the Executive Committee it seems that this proposal is not going to be used at UC Davis. If its use is reconsidered, I believe that the GSM faculty would have reservations about the program as described. Nonetheless 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.

Council of School & College Faculty Chairs (VETERINARY MEDICINE)

October 12, 2011 7:33 AM

No response at this time.

Elections, Rules & Jurisdiction

November 3, 2011 9:48 AM

No response at this time.

Faculty Welfare

November 28, 2011 4:41 PM

Response continued on next page.

Submitted on behalf of 2011-12 Faculty Welfare Committee Chair Stuart Hill.

A large majority of the Faculty Welfare Committee does not support the proposed Negotiated Salary Program (NSP). The Committee found problems with the overall plan and specific details.

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.

This short-term advantage would come at the cost of instituting a significant departure from UC's longstanding system of merits and promotions. The salary increases faculty would receive under this program first require that the Department Chair judge whether a faculty member is in "good standing." The definition of good standing is vague and open to interpretation. This gives the Chair considerable discretion - we believe too much discretion - to determine who can participate and who cannot, without review from other members of the Chair's Department, the University administration, and the CAP. The policy suffers from further ambiguity about the size of salary increases that can be negotiated with the Chair. The cases used to illustrate how the policy would work *assume* that the Chancellor limits salary increases to 25% of base salary, but this is not part of the proposed policy.

The faculty who have access to research grants would see increases in their salaries if they can successfully compete for grants and negotiate salary gains. The perception of inequities are likely to rise among the faculty who lack these opportunities, as salaries grow in disciplines and subfields where research funding is readily accessible. The fact that the Chair is given latitude in choosing whether to negotiate salary increases and by how much risks politicizing a process that will already be controversial because of the inequities it creates. The prospects for controversy do not end here. The CAP recently pointed out that this program risks double-counting grant acquisition: once during a normal merit and a second time to augment a faculty member's salary.

Graduate Council

November 29, 2011 9:19 AM

Graduate Council believes that the proposed policy will have a significant negative impact on graduate education at UC Davis. Faculty are already strongly incentivized to seek grant funding. The barriers to grant success are generally time constraints rather than lack of incentive. We see no convincing evidence that adding a negotiated financial incentive to the system will help the faculty to be more successful at winning competitive awards. This means that funding negotiated increases in faculty salaries from grants will require the faculty member to defund other areas that he/she now supports. The area most likely to be defunded is graduate student support.

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.

While it will be up to funding agencies to evaluate the competitiveness and compliance of funding proposals based on proposed APM668, 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. Many grants already limit how many months' salary can be charged. In addition, NIH which historically has been generous in providing support for faculty salary recently has indicated that they are reviewing their present position on faculty salary support and the proposed policy will certainly encourage agencies to restrict salary support. There are also intellectual property concerns if more funding is obtained from private sources.

Council finds that APM668 may have a serious impact on the use of 19900 funds. Moving academic year salary to grants, as has been recommended by some deans, is unacceptable as faculty still have teaching and research responsibilities that come with their state-supported salary. While many have espoused that the intent of this policy is NOT to replace or substitute state-supported funding for faculty, this may be what will actually occur and seems allowable in this policy as written. As state funding is reduced, the nuance of how 19900 funds are deployed becomes important. If the intent of the policy is to provide faculty the opportunity to augment their salary, the existing policies allowing one day a week of faculty consultation already gives a significant opportunity to do so.

These factors, in combination with expected decrease in the availability of federal research funding, places Council in strong opposition to the implementation of this policy and the negative impact it will have on graduate education both through reduced number of students and reduced time that faculty are willing to allocate to students rather than to personal gain.

Joe Kiskis (Write-in)

October 23, 2011 9:00 PM

I offer these comments on proposed APM 668, the Negotiated Salary Program (NSP).

The merit and promotion academic personnel system at the University of California is a great asset of the institution. It is a well-documented and carefully followed system that closely associates rank, step, and salary with accomplishment in teaching, scholarship, and service as evaluated by faculty peers.

For many years, UC salary scales have lagged those of comparable institutions. To partially compensate for this, there has been a growing use of off scale salaries, which are set on an individual and ad hoc basis.

It is now widely recognized that this decoupling of salary from advancement in rank and step is undermining unique strengths of the UC academic personnel system, and there have been repeated calls to reform the salary scales so that the traditional value of the merit and promotion system is re-established. Unfortunately the proposed NSP would not be a reform but rather an additional administrative mechanism that circumvents the merit and the promotion system.

The proposed APM language delegates important decisions on how or even whether to implement the NSP policy to chancellors and permits fine grained rules with potentially wide variation between campuses and academic units.

Although it is often assumed, and it is the case in the examples accompanying the draft APM, that the money used to pay a faculty member a higher salary will be very closely associated with non-state funds generated by that faculty member, in fact, there is nothing in the draft APM that makes that association.

Since tuition is non-state money, it or other non-state UC general funds could be diverted to pay NSPs to individual faculty members at the discretion of administrators.

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.

The policy is vague on the role of the Academic Senate in the process. In a fine grained implementation, this could vary by campus or even by college or school. Over time this is likely to further undermine the merit and promotion process and make salary increasingly unrelated to academic accomplishment as evaluated by faculty peers.

The policy creates additional incentives for the pursuit of external funding with the likely consequence that research directions will be further determined by funding entities rather than by faculty creativity and initiative.

The proposed APM 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.

Thus the proposed APM 668/NSP goes in the precisely the opposite direction of reform to the processes of salary determination at UC. It would further undermine the merit and promotion system and institutionalize a "system" for determining salaries that is non-transparent, arbitrary, inequitable, open to abuse, and decoupled from peer evaluation of accomplishment in teaching, research, and service.

Planning & Budget

November 3, 2011 12:14 PM

CPB has reviewed the proposed new policy APM 668 (Additional Compensation: Negotiated Salary Program). We feel this proposed policy could have dramatic and for the most part negative impact on issues such as academic freedom, the direction of faculty research, conflict of interest issues and graduate student support. Unless there is a significant income gain that would result, CPB feels there is no reason to adopt such a policy given such risks. If significant gain is possible, then steps must be taken to minimize or avoid completely the issues mentioned above as part of the implementation of the policy.

Research

November 28, 2011 4:12 PM

Response continued on next page.

The Committee on Research discussed the Systemwide Review: Proposed New Policy APM 668 (Additional Compensation: Negotiated Salary Program) and has several concerns. COR 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. Another concern is that a negotiated salary program may present gender equity issues in the faculty. Finally, COR has the following additional questions regarding the proposed negotiated salary proposal:

1. Who would be required to pay the 3% “contingency fund” tax? Only faculty that participate in the program or all faculty members?
2. Is this a general change that will affect most of the faculty or just a few? In other words, will this be applied to 10% or 90% of the faculty?
3. COR agrees that the campus would need a written policy on how salaries would be negotiated and information on whether this applies to individual faculty or departments.
4. Clearly, some departments will have the option to participate and others won't. Would the department chair have the final say regarding whether faculty can participate?