



November 17, 2017

SHANE WHITE
Chair, Academic Council

Subject: Negotiated Salary Trial Program—Four-Year Report

Dear Shane,

On October 16, 2017, the Divisional Council (DIVCO) of the Berkeley Division considered the four-year report of the Negotiated Salary Trial Program (NSTP), informed by commentary of the divisional committees on Academic Planning and Resource Allocation (CAPRA), Budget and Interdepartmental Relations (BIR), and Faculty Welfare (FWEL). DIVCO strongly opposes the implementation of the program on the Berkeley campus. Our discussion highlighted the following concerns.

Equity

DIVCO is deeply concerned about the implications of the negotiated salary program for equity among faculty. Our discussion echoed the BIR commentary:

We are troubled that disciplinary difference in access to outside funding in the context of the Negotiated Salary Program would significantly increase salary disparities among disciplines beyond what already exists on campus. We can easily envision, as well, that disparities could be increased between faculty within individual departments depending on their precise area of research and availability of non-government sources of research funds that allow salary support.

Our campus has developed approaches to promote equity across campus; indeed, this is one of the hallmarks of BIR review. We believe the negotiated salary program would undermine this approach, and replace it with a system for which there is scant supporting data.

Berkeley has a long-standing, robust method of faculty recruitment and retention. The NSTP report does not include sufficient data on whether the program has a positive effect on faculty recruitment and retention. Given our campus's record in this regard, we see no value to adopting the program.

Perverse incentives

DIVCO discussed a number of deep concerns about the incentive structure implicit in the NSTP, and its potentially corrupting effect on the university. Specifically, we agree with FWEL and BIR respectively:

The program presents a privatization model to academic funding. While this could increase funding, committee members were concerned that it could also impinge on academic freedom or diversity of research pursuits. Faculty may face pressure to orient their research work where funding is available and towards possible funding sources' interests, unintentionally incentivizing private profit over public purpose.

... a Negotiated Salary Program would inevitably introduce incentives for faculty to shift their attention and efforts from teaching and service toward revenue-producing research activities. Because up to 30% of faculty academic time can be supplemented through the Negotiated Salary Program, there is the strong potential to undermine the limits on time commitment and summer-salary income put in place by APM-025.

We believe that any extension of this program should be particularly attentive to these issues.

Shared governance

We are deeply concerned about possibility that the program will erode the assessment of merit and quality by weakening our system of peer review—a cornerstone of Berkeley's practice of shared governance, and one that has served the institution well.

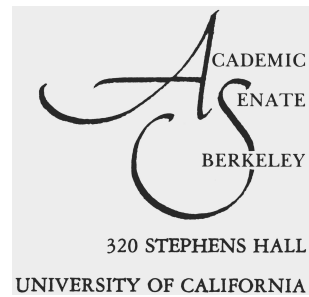
The concerns we have articulated about the potential effects of the program on our campus echo the concerns raised by Academic Council in its AY12-13 response to the program. In sum, we find the program to be damaging to the UC system as a whole. While we are not empowered to make decisions for other campuses, DIVCO believes the program runs counter to the University of California's commitment to equity and excellence.

Sincerely,



Barbara Spackman
Vice Chair, Berkeley Division of the Academic Senate
Cecchetti Professor of Italian Studies and Professor of Comparative Literature

Cc: Lisa Alvarez-Cohen, Chair, Berkeley Division of the Academic Senate
Benjamin Hermalin, Vice Provost for the Faculty
Jennifer Johnson-Hanks, Chair, Committee on Academic Planning and Resource Allocation
Michael Lucey, Chair, Committee on Budget and Interdepartmental Relations
Terrence Hendershott and Caroline Kane, Co-chairs, Committee on Faculty Welfare
Aimee Larsen, Manager, Committee on Budget and Interdepartmental Relations
Deborah Dobin, Senate Analyst, Committee on Academic Planning and Resource Allocation
Sumali Tuchrello, Senate Analyst, Committee on Faculty Welfare



September 25, 2017

PROFESSOR LISA ALVAREZ-COHEN
Chair, Berkeley Division of the Academic Senate

Re: Report on the Negotiated Salary Pilot Program

At its meeting on September 13, 2017, the Committee on Academic Planning and Resource Allocation (CAPRA) discussed the report on the Negotiated Salary Pilot Program. The report concludes that deans, chairs, and faculty who participated in the program liked it, and that the program did not appear to have negative effects on teaching as feared. However, there is no evidence one way or the other whether the pilot program succeeded at its intended goal of increasing faculty retention in the medical sciences and closely allied fields. The report proposes extending the pilot in an effort to collect more data about whether the program is effective.

After a thoughtful discussion, CAPRA members came to the consensus that this program would be neither useful nor desirable for Berkeley. Its most important use is in medical schools; the problem it intends to solve is not a central one for us; and the risks to morale, equity, and campus balance are potentially great. We recommend that Berkeley stand aside and allow our sister campuses to explore this program if they deem it useful, but not participate ourselves.

Thank you for giving us the opportunity to comment.

With best regards,

A handwritten signature in blue ink, appearing to read 'J. Johnson-Hanks'.

Jennifer Johnson-Hanks, Chair
Committee on Academic Planning and
Resource Allocation

October 5, 2017

CHAIR LISA ALVAREZ-COHEN
BERKELEY DIVISION OF THE ACADEMIC SENATE

RE: Negotiated Salary Trial Program—Four-Year Report

We thank you for inviting us to comment on the report submitted by the system-wide Academic Senate taskforce that reviewed that Negotiated Salary Trial Program (NSTP). The Academic Senate taskforce evaluated quantitative data and other information (such as survey results from questionnaires sent to all faculty in participating departments) from the three-year pilot phase of the program involving the three campuses of UC Irvine, UCLA, and UC San Diego, who agreed to be part of the NSTP. We appreciate the work of the system-wide taskforce, and after evaluating the taskforce's report showing data and conclusions from a three-year trial period, we continue to have significant reservations regarding whether the Negotiated Salary Program (originally proposed policy APM-668) is in accordance with Berkeley's interests, or whether this type of program is even needed at Berkeley.

The taskforce evaluated the outcome of the NSTP based on the following issues: 1) faculty recruitment and retention, 2) graduate student support and research group size, 3) average total research expenditures, 4) teaching and service, 5) faculty and administrative support, 6) administrative costs, and 7) evaluation. We are in general agreement with one of the taskforce's conclusions: that the short duration of the pilot phase from which data were obtained, and the relatively low percentage (approximately 15%) of faculty in participating departments who enrolled in the program across the three campuses, limited the significance of the information generated from the collected data on recruitment, retention, and graduate support (three of the main reasons for initiating the trial program). One limitation that cannot be underestimated is the difficulty in interpreting the collected data from a three-year trial program. For example, little evidence was uncovered that the program impacts either faculty recruitment or retention. Also, some of the collected information seemed anecdotal in that chairs and faculty from enrolled units showed support for the program, whereas there was a paucity of information from chairs and faculty in units that did not participate in the program. In order to better evaluate the program, we are not opposed to the taskforce's recommendation that the NSTP be continued for another four years so that more a more significant set of data can potentially be generated. We also do not oppose having the extended trial program collect a more diverse set of information that potentially includes a few other campuses whose administration and faculty agree that it meets campus needs. In this regard, we maintain that the Negotiated Salary Program is not appropriate for Berkeley, and may have unintended consequences, especially in the area of salary disparities

across campus. The following discusses a few of the most salient reasons (several of which were articulated in 2012 and still hold true) that the Negotiated Salary Program is not right for Berkeley, and that we should not participate in the extended version of the NSTP:

1) We are troubled that disciplinary difference in access to outside funding in the context of the Negotiated Salary Program would significantly increase salary disparities among disciplines beyond what already exists on campus. We can easily envision, as well, that disparities could be increased between faculty within individual departments depending on their precise area of research and availability of non-government sources of research funds that allow salary support.

2) As we pointed out approximately five years ago in a previous memo to the Berkeley Division of the Academic Senate, a Negotiated Salary Program would inevitably introduce incentives for faculty to shift their attention and efforts from teaching and service toward revenue-producing research activities. Because up to 30% of faculty academic time can be supplemented through the Negotiated Salary Program, there is the strong potential to undermine the limits on time commitment and summer-salary income put in place by APM-025. In this regard, the NSTP taskforce reported that the teaching load of enrolled faculty measured by student credit hours was less than that of non-enrolled faculty in the same departments, although there was no difference in teaching load of individual faculty before or during their participation in the NSTP. Even though this information is anecdotal given the small number of participants, one potential conclusion is that a Negotiated Salary Program would likely encourage a subset of faculty to continue not to engage in their teaching and service responsibilities.

3) Five years ago, we pointed out that it seems incongruous for the Committee on Budget & Interdepartmental Relations to spend a significant amount of time determining whether an individual faculty merits a step advancement with a small increase in salary when the Negotiated Salary Program uses a different set of guidelines to determine whether to provide that same individual up to a 30% increase in salary. The issue of the articulation between the Negotiated Salary Program and standard procedures for merit reviews remains unaddressed.

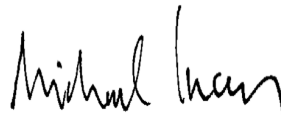
4) One of the taskforce recommendations is that the Negotiated Salary Program not be viewed as a substitute for a full faculty salary program to address the continuing lag of UC salaries relative to our peers. We agree with this recommendation, and think it should be stated more forcefully if the trial program is extended.

5) The NSTP generated information from a limited number of units on only three UC campuses, each of which has a medical school. We therefore remain concerned that because of the variability of practices on different campus, any conclusions from the study or from an expanded trial period would not necessarily pertain to Berkeley.

6) Although not directly mentioned in the NSTP taskforce report (and perhaps outside the objectives of the NSTP), several other concerns were raised five years ago that are still relevant in the evaluation of a Negotiated Salary Program at Berkeley. For example, the program lacks a specific procedure for significant revisions or termination in the event of serious problems that could emerge, and does not include a mechanism that would prevent a department or unit from

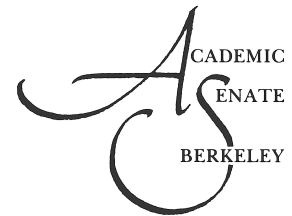
intermingling general funds with external funds in order to divert more external funds to the Negotiated Salary Program.

In conclusion, we are not opposed to the collection of further data in an expanded set of campuses through an extension of the NSTP as long Berkeley is not one of the campuses involved. Furthermore, as we mentioned five years ago, we remain concerned about the potential of a Negotiated Salary Program to change how faculty allocate their time, the potential to magnify inequities on campus, and the potential to change the character and undermine the pedagogical mission of the University. We therefore strongly urge the Berkeley Academic Senate and Administration not to participate in the taskforce recommended four-year extension of the NSTP.

A handwritten signature in black ink, appearing to read "Michael Lucey". The signature is fluid and cursive, with the first name "Michael" and last name "Lucey" clearly distinguishable.

Michael Lucey
Chair

ML/al



320 STEPHENS HALL
UNIVERSITY OF CALIFORNIA

October 12, 2017

CHAIR LISA ALVAREZ-COHEN
Divisional Council
Academic Senate

Re: Negotiated Salary Trial Program

Dear Chair Alvarez-Cohen,

The members of Faculty Welfare Committee had an opportunity to review the Negotiated Salary Trial Program. We discussed the program at our Sept. 18 meeting. The committee was uniformly impressed by the investigation, but felt that the report's results made clear that the program itself would not be appropriate for the Berkeley campus.

Our comments follow:

1. The program presents a privatization model to academic funding. While this could increase funding, committee members were concerned that it could also impinge on academic freedom or diversity of research pursuits. Faculty may face pressure to orient their research work where funding is available and towards possible funding sources' interests, unintentionally incentivizing private profit over public purpose.
2. If the funding is not renewed the faculty would experience a decrease in salary. It is unclear who, if anyone, would fill this financial loss. If supplemental salary ends up being a replacement for regular salary the program could possibly discourage acquiring grants because it would effectively be a tax on their research awards. This could reduce the benefits for faculty retention.
3. The report itself is an outstanding example of successful shared-governance, and we hope it will be a model going forward.

Not having a medical facility at UC Berkeley made this program seem unsuited for Berkeley. We do not recommend that UC Berkeley adopt this model as it is not aligned with the overarching goals that Berkeley maintains as a public institution to provide equitable support for various forms of intellectual labor.

Sincerely,

Terrence Hendershott, Co-Chair
Caroline Kane, Co-Chair
Committee on Faculty Welfare

TC/CK/st