

General Campus Compensation Plan Trial UC San Diego Implementation Guidelines

Overview

An initial phase of the Negotiated Salary Trial Program (NSTP) – known locally at UC San Diego as the General Campus Compensation Plan (GCCP) (the “Plan”) – ran from July 1, 2013, through June 30, 2018. Three UC campuses participated: San Diego, Irvine, and Los Angeles. The Plan provided a modest, uniformly available mechanism allowing Senate faculty to voluntarily contribute external funding resources toward their total UC salary.

After a joint Senate-Administration Taskforce review of the trial program in its fourth year, the UC Provost decided to extend the program an additional four years - July 1, 2018 through June 30, 2022 - with the possibility of an additional wind-down year should the program be terminated or transitioned to APM policy. In this second phase of the NSTP, participation is open to all UC campuses. See Attachment B – UCOP “Basic Program Document.”

Plan Eligibility and Funding Guidelines

Eligibility

1. All General Campus Academic Divisions (Arts and Humanities, Social Sciences, Physical Sciences, Biological Sciences, Jacobs School of Engineering, Rady School of Management, School of Global Policy and Strategy) and the Scripps Institution of Oceanography may participate in the Plan.
2. The Plan is available to general campus and Scripps Institution of Oceanography ladder rank and in-residence faculty members who meet the eligibility criteria as outlined in number six (6) below.
3. Full-time deans and faculty administrators as listed in [APM 240](#) and [APM 246](#), respectively, are not eligible to participate in the Plan.
4. Senior Management Group (SMG) members are not eligible to participate in the Plan.
5. Faculty members appointed in a Health Sciences department and/or eligible to participate in the Health Sciences Compensation Plan are not eligible to participate in the Plan.
6. Faculty participating in the Plan are required to meet minimum good standing criteria as follows:
 - Advancement in rank or step in last academic review (or equivalent satisfactory review), including fulfillment of the faculty member’s approved teaching load, and University service commensurate with rank and step
 - Maintenance of the participant’s position as a leader in a chosen field of research
 - All research contracts and grants are in good standing, (e.g. no outstanding agency reports or accounts in deficit)
 - Fulfillment of graduate student support and training obligations
 - Compliance with reporting and training requirements.

Departments are permitted to develop additional good standing criteria. Good standing criteria must be approved by a two-thirds majority of the department’s Senate faculty. Once approved, a department’s good standing criteria must be provided to all department faculty, the appropriate Dean, and the EVC.

General Campus Compensation Plan Trial
UC San Diego Implementation Guidelines

External Funding

- Only external funds will be used to support this program. “External funds” are defined as any fund source that is non-State-appropriated general funds or student tuition funds, such as (but not limited to) endowment or gift income, professional degree fees, self-supporting degree fees, royalties, licensing fees, and contract and grant support. Fund sources may come from any combination of permissible external funding.

The intent of the program is that the faculty member has access to the external funds due to his or her research, teaching, or outreach activities. The funds should not be discretionary funds located in the department, school, college, or campus.

- Funding for the negotiated salary increment must be awarded and in hand prior to June 30 of the current fiscal year to be considered for that year’s negotiation.
- Adequate funding must be available for the entire year of the proposal, without exception.
- Funds awarded after the salary increment has been negotiated may be considered eligible compensation for the following academic year.
- Funding for the negotiated salary increment must have a stable source, paid in accordance with any related fund source restrictions, and must be sufficient to include the related benefits costs.
- The Plan must be in compliance with federal regulations and thus the Plan has been designed with such regulations in mind; All charges to contracts and grants must be compliant with the Federal Uniform guidance regulations 2CFR200, “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards”; Effort for salaries charged to sponsored projects funded by federal sources must be accurately and appropriately calculated and certified.
- At no time may effort be greater than 100%.

Total UC Salary

- The total UC salary is comprised of the salary covered under the University of California Retirement Plan (UCRP), which is the scale rate plus off-scale components, referred to collectively as “covered compensation” and a negotiated salary increment.

Covered Compensation

Covered Compensation is the regular scale salary rate plus any off-scale as approved at the time of hire or as a result of regular academic review. Covered compensation is allowed under UCRP up to the amount permissible by Internal Revenue Code provisions and in accordance with UCRP policy and provisions, and is the recognized salary for benefit calculations (i.e. retirement, disability, life insurance, etc.).

Negotiated Salary Increment

The negotiated salary increment is not included in covered compensation under UCRP. All compensation paid by the University under the Plan will be subject to Federal and State withholding and reported on a W-2 form as wages in accordance with IRS regulations and University policies and procedures. The negotiated salary increment cannot exceed 30% of covered compensation.

General Campus Compensation Plan Trial
UC San Diego Implementation Guidelines

Factors to be considered in approving a negotiated salary increment include but are not limited to comparative market salary data, good standing criteria, funding sources available.

Salary Attributes

The following chart defines the normal funding source for each salary component and whether the salary component is considered covered compensation for UCRP:

Salary Component	Fund Source	Covered Comp?
Covered Compensation (Scale rate + off-scale, if applicable)	State general funds	Yes
Negotiated Salary Increment	External funds	No
Summer Salary	Varies	No; Eligible for special 403B benefit (matching 3.5% contributions from employee and employer)
Administrative Stipend (if applicable)	Varies	Yes

Other Additional Compensation

Faculty may earn up to three-ninths additional summer compensation for research, teaching, and/or administrative service. A maximum of 2/9ths summer salary or the equivalent amount of academic year salary may be charged to NSF grants. Summer ninths shall be paid at the total UC salary rate according to standard summer salary policies. Any portion of a ninth paid for service in June shall be based upon the individual's salary in effect on June 30.

Summer Session teaching compensation will be based upon the total UC salary rate in effect on June 30 of the calendar year in which the Summer Session begins.

Administrative Compensation

Stipends issued for official administrative roles may not be included in the negotiated salary increment and must be recorded as separate payments. Classification of official administrative roles will be determined in accordance with campus practice.

Leaves of Absence

Sabbatical leave and other leaves with pay will be granted at the total UC salary rate in effect during the period of the leave. State funds may be used only for the portion of a sabbatical leave related to a faculty member's covered compensation.

Medical leave will be granted at the total UC salary rate through June 30 of the year of the leave. If grant restrictions preclude payment of medical leave, the department must provide appropriate unrestricted funds to ensure full payment of the total UC salary rate. The University is under no obligation to continue the negotiated salary increment if the medical leave continues into the next salary negotiation cycle (7/1 - 6/30).

Intercampus Transfers

Temporary intercampus appointments, including Faculty Consultant payments, will be based on the total UC salary rate in effect during the temporary appointment.

For permanent intercampus transfers, APM – 510 applies. The negotiated salary increment may

General Campus Compensation Plan Trial
UC San Diego Implementation Guidelines

not be a factor in determining a competing UC offer (see Appendix A in APM – 510). If the new campus is participating in the Trial program, the faculty member must negotiate a new proposal with his/her new campus.

A start-up package for an intercampus recruitment cannot include funds to support a negotiated salary component.

Overload Teaching

If any portion of the negotiated salary increment is based on overload teaching in a self-supporting UC program, the appropriate number of consulting days must be forfeited in accordance with APM 025.

Participation Effective Dates

- The total UC salary rate will be effective July 1 through June 30. The total salary will not change during July 1 through June 30 period for any reason including but not limited to: mid-year salary scale adjustments (e.g. general range/COLA), retroactive merit increases, or the receipt of additional external funds. If a faculty member's salary is raised effective October 1 due to a general range/COLA, the negotiated salary increment will be adjusted downward while the covered compensation goes up so that the total UC salary remains unchanged for the fiscal year.
- Newly hired faculty with mid-year start dates may participate from the appointment begin date through June 30.
- Increases negotiated as a result of a formal retention will be effective on July 1 of the next year.
- Early withdrawal from the Plan is allowed only upon separation from the University, as a result of an official disciplinary action (as described in APM 015 and 016 and Senate Bylaw 230), or upon appointment to an ineligible administrative appointment.
- Retroactive participation is not permitted.

Restrictions

- Faculty participating in this trial will remain subject to the requirements of other University policies including, but not limited to, Conflict of Interest, Conflict of Commitment, Faculty Code of Conduct, and policy on the requirement to submit proposals and receive awards for grants and contracts through the University.
- External consulting and other externally compensated activities by participating faculty members will be permitted in accordance with APM – 025, Conflict of Commitment and Outside Activities of Faculty Members.
- The negotiated salary increment portion of a faculty member's salary does not transfer to other UC campuses. The faculty member will be required to renegotiate according to the implementation plan at the new campus (if there is one).

General Campus Compensation Plan Trial
UC San Diego Implementation Guidelines

Financial Responsibility

A sufficient contingency fund must be developed to assure the University does not incur unexpected costs due to the Plan.

Each faculty member with a negotiated salary increment will contribute released base-salary equal to 10% of the negotiated salary increment to the contingency fund. The released base salary will be replaced by an external fund source.

At steady-state, the minimum balance of the contingency fund should be 20% of the aggregate annual negotiated salary increments for the department. Regardless of the contingency fund level, if a faculty member loses funding during the annual negotiated period, the department must assure the faculty member receives his/her total UC salary for the negotiated period, without exception.

If the contingency fund has accumulated a surplus, the surplus may be used as follows:

a) At least one-half may be used for academic purposes in the department or division of origin (including but not limited to graduate student support, faculty salaries and/or staff salaries) as recommended by the Chair and approved by the Dean; and

b) The remainder may be used for other purposes in the school or campus as recommended by the Chair and the Dean and approved by the EVC.

Chairs will discuss the use of surplus funds with the department Senate faculty. Additional practices for approval or oversight may be developed by departments.

Approval Procedures

Divisional deans and the Vice Chancellor for Marine Science will inform the EVC on or before March 1 which departments in their divisions will participate in the Plan.

All eligible faculty members of a participating department may take part in the Plan. All members will receive a copy of the Plan document and Implementation Guidelines.

Proposal Preparation and Submission Process

For departments participating in the Plan:

- Each year (usually in March) a call will be issued to Senate faculty by their respective home departments regarding the annual negotiation for the coming fiscal year.
- All ladder rank and in-residence faculty are permitted to participate in the negotiation process.
- Faculty are expected to maximize summer salary opportunities prior to proposing a negotiated salary increment.
- Prior to submission of a proposal, the faculty member must verify the proposed funding source with the appropriate campus Fund Manager/Department Business Officer. The Fund

General Campus Compensation Plan Trial
UC San Diego Implementation Guidelines

Manager/Department Business Officer will confirm that the funding source is allowable and that it will remain in place for the entire fiscal year.

- After funding has been verified by the Fund Manager/Department Business Officer, the participating faculty member should submit the Plan Proposal Form (that includes UCOP common reporting required information) to her/his Chair. Each department will set the actual due date for proposals.
- Continuing participation in the Plan must be renegotiated, evaluated by the Chair and Dean, and approved by the EVC each year. Renewals are not automatic.

Evaluation of Proposals

The Chair and department business office will review the proposal to ensure that:

- The requesting faculty member meets the good standing criteria
- The total salary requested is within the market-based salary standards for the department, is equitable within the department and across the discipline, and is consistent with this document.
- Allowable, appropriate, and demonstrably sufficient resources are available to support the proposal
- Contingency fund requirements are met

Funding obligations for the total UC salary including negotiated increment, contingency fund requirement, NIH salary cap gap, graduate student support, salary threshold levels, research equipment, etc., must be met and therefore this must be determined during the negotiation process.

The Chair will review the proposals and forward recommended proposals to the Dean. Each division will set a deadline for proposals.

The Dean will review proposals and will forward recommended proposals to the EVC. Academic Personnel will set the deadline for proposals each year.

The EVC will make a final decision and inform the dean of approved proposals before the payroll deadline for July pay. CAP will receive a report of the actions.

If approved by the EVC, the Chair will send a salary confirmation letter (Attachment A) to the faculty member confirming the faculty member's total salary for the coming fiscal year. Notification of approved participation will be sent to the faculty member, EVC, Dean, CAP, MSO, and AP Office.

If the Chair does not recommend a faculty member's proposal, the Chair should meet with the faculty member to see if a mutually agreeable solution can be reached.

If the Chair does not recommend a proposal because a faculty member does not have sufficient funding, the Chair will inform the Dean and the Dean will review. If the Dean concurs, the Dean will

General Campus Compensation Plan Trial
UC San Diego Implementation Guidelines

communicate the finding to the faculty member and provide the faculty member an explanation. If the funding requirements can be reached prior to the annual deadlines, a proposal may be resubmitted.

If the proposal is not endorsed by the Chair because the faculty member does not meet the minimum good standing criteria, the Chair will inform the Dean and the Dean will review. If the Dean concurs, they will forward the proposal, the chair's assessment and the Dean's assessment to the EVC. Good standing cases will be reviewed by CAP, who will provide a recommendation to the EVC. The EVC will issue a final resolution within seven (7) days of receiving CAP's recommendation.

Approval Process

Action	Authority	Initial Response	Next Step/Comments
Funding Authorization	Dept business officer	30 days	Resolve any issues with faculty member then forward to chair
Salary Negotiation	Chair	30 days	Negotiate with faculty member and forward endorsement to dean
Dean Review	Dean	14 days	Review proposal and forward endorsement to EVC
EVC Approval	EVC	14 days	Approve
Appeals	EVC	7 days of CAP review	Review case and issue final resolution

Notification, Documentation and Implementation

Approved proposals will be documented in writing and signed by the faculty member, Chair, Dean, and EVC.

Department Responsibilities:

- Issue the annual call to the departmental faculty
- Provide the current applicant request form (that includes fields designated by UCOP as common reporting requirements)
- Document the funding authorization process used for all proposals
- Document the methodology used to determine the negotiated salary increment in each case
- Issue an annual salary confirmation letter to the faculty member
- Enter the negotiated salary in the payroll system
- Perform a post-audit of the salary implementation in payroll
- Report contingency fund account accumulations and expenditures to Dean and EVC
- Provide annual documentation of teaching and service activities and extramural expenditures for graduate students for all participating faculty. Explain why there have been changes in student support levels.

Dean's Office Responsibilities:

- Notify the EVC which departments will participate

General Campus Compensation Plan Trial
UC San Diego Implementation Guidelines

- Ensure all participation criteria have been met and maintain documentation of reviews.
- Ensure completed forms include the UCOP designated common reporting requirements.
- Ensure payroll action matches the approved negotiated salary amounts.
- Adhere to annual reporting requirements, including summary funding report to the EVC.

EVC Responsibilities:

- Review faculty appeals of negative findings by the Dean and Chair
- Maintain appeal resolution documentation
- Notify the faculty member, Chair, and Dean of approved proposals
- Maintain open communications with Academic Senate on implementation issues and concerns
- Serve as Office of Record for approved proposals
- Forward the Campus Implementation Plan to the UC Provost for approval
- Provide annual report to the UC San Diego Academic Senate and CAP by November 1
- Prepare data for Provost annually as required by the Office of the President

CAP Responsibilities

- Review list of negotiated salaries.
- Review faculty appeals of negative findings by the Dean and Chair where Good Standing criteria is at issue
- Review post audit annual reports on participation; provide feedback to EVC if there are issues or concerns

Academic Senate Council Responsibilities

- Review annual report on Plan participation and metrics
- Provide input on review of GCCP after year three of Phase Two.

General Campus Compensation Plan Trial
UC San Diego Implementation Guidelines

ATTACHMENT A: Faculty Notification Letter

Date

TO: [Insert name of faculty member]

SUBJECT: General Campus Compensation Plan Salary Confirmation for 2018-19

This memo confirms your Total UC Salary as a participant in the General Campus Compensation Plan Trial (GCCP) during the 2018-19 academic year.

Covered Compensation Rate: [enter value of Rank/Step scale rate plus off-scale]

Your base salary, which includes the salary scale rate based on your rank/step plus any off-scale amount that has been approved for you, is considered covered compensation and is recognized for benefits calculations (retirement, benefits, life insurance, etc.). This amount is determined as a result of the academic review process.

Negotiated Salary Increment: [enter value of negotiated increment]

Based on available and appropriate external funds, this portion of your salary has been negotiated for the current plan year only. The negotiated salary increment is not covered compensation. This amount is not guaranteed in future years.

Total UC Salary Rate: [insert total salary value: covered comp + negotiated salary increment]

Your academic year salary, effective July 1, 2018 – June 30, 2019, will be paid at the Total UC Salary Rate. The Total UC Salary may not be changed for any reason during the year. If the scale-based component is raised mid-year due to a general range/COLA, or any other reason, the negotiated salary increment will be adjusted downward so that the Total UC Salary remains constant.

During your participation in the GCCP, you must continue to meet all good standing criteria and comply with existing conflict of interest and conflict of commitment policies. Failure to supply required information will compromise your participation in the program.

Best regards,

Elizabeth H. Simmons
Executive Vice Chancellor

c: AVC – Academic Affairs
Dean
Chair
MSO

ATTACHMENT B: Basic Program Document

Basic Program Document

General Campus Negotiated Salary Trial Program

Second Phase: July 1, 2018 to June 30, 2022

February 2018

The Negotiated Salary Trial Program (NSTP) plays an important role for the University in managing its recruitment and retention challenges. For the five years from July 1, 2013 through June 30, 2018, UC has had the NSTP on three campuses: UC Irvine, UCLA, and UC San Diego. In year four of the trial program, a joint Senate-Administration Taskforce reviewed the program and offered recommendations on possible continuation of the trial. After considering input received during a systemwide review of the Taskforce recommendations, UC Provost Brown extended the program for an additional four years, with the possibility of an additional wind-down year, should the program be terminated or transitioned to APM policy. This Basic Program Document includes revisions of the 2012 program document that update it to match the program as issued by the Provost in 2018.

This second phase of the NSTP will run from July 1, 2018 through June 30, 2022, with a possible wind-down year of 2022-2023.

This Basic Program Document is a general statement of the NSTP; other operational details of the program are contained in the "NSTP Phase Two Implementation Procedures" (February 2018) template that each campus must follow in developing its own implementation guidelines. Both documents have been updated in 2018.

A. Program Components

Overview: The four-year Negotiated Salary Trial Program (NSTP), phase two, will extend participation to any UC campus indicating to the UC Provost its intent to take part. Participation for new campuses can begin on July 1, 2018 or July 1, 2019. Eligible faculty will be able to voluntarily contribute external fund sources toward their total salary, with the negotiated salary amount funded through external funds. The amount of negotiated salary will have a cap of 30% of the base salary (academic or fiscal, including off-scale); and the Dean or designee will have responsibility for managing funding of the negotiated salary program. Merit review will continue according to campus policy, and each participating campus will determine the appropriate role for its Committee on Academic Personnel (CAP) or equivalent committee.

Scope: UCI, UCLA, and UCSD have indicated that they are continuing in phase two of the NSTP. For other participating campuses, academic administration will consult with their Divisional Senate on potential participation. Once participation has been agreed to, the Executive Vice Chancellor/Provost (EVC/P) on each campus will coordinate with divisions/schools/departments that will take part.

Eligibility: Ladder-rank and in-residence faculty who have advanced in rank or step in their last academic review (or equivalent satisfactory review) are eligible, provided the faculty member's campus and division/school/department has opted to participate. HSCP members and full-time deans and faculty administrators (as defined in APM – 240 & 246) are not eligible.

Faculty responsibilities: Participating faculty are expected to meet all teaching, research and service obligations and to be in compliance with all applicable University policies, procedures, and training requirements. The campus will ensure that policies about the buy-out of teaching are maintained.

Fund management: Only external funds will be used to support this program. "External funds" refers to any non-state-appropriated funds, such as (but not limited to) endowment or gift income, professional degree fees, self-supporting degree fees, and contract and grant support. The Dean or his/her designee will have responsibility for managing program funds, reviewing the availability of F&A, and covering any unforeseen shortfalls. General Funds cannot be substituted for external funds in support of the program.

The intent of the program is that the faculty member has access to the external funds due to his or her research, teaching, or outreach activities. The funds should not be discretionary funds located in the department, school, college, or campus.

Recruitment: In the case of the recruitment of permanent inter-campus transfers, APM-510 applies. The Negotiated salary component may not be a factor in determining a competing UC offer (see Appendix A in APM-510). If the recruiting campus is participating in the NSTP, the faculty member must negotiate a new proposal with his/her new campus. A start-up package in inter-campus recruitment cannot include funds to support a negotiated salary component.

Salary: The total negotiated salary will be comprised of 1) the salary covered under the University of California Retirement plans (scale base plus off-scale components), for those in UCRP, Pension Choice or Savings Choice (faculty will remain on pre-existing appointments [either academic or fiscal]; those on academic year appointments remain eligible for summer ninths which will continue to be processed under pre-existing guidelines); and 2) a negotiated salary component that is not covered compensation. Negotiations will be conducted annually to determine an individual's total negotiated salary for the following year. The total

negotiated salary must be effective for one full year, corresponding with the University fiscal cycle of July 1 – June 30 and may not be changed during that year. The faculty member's salary (scale plus off-scale) will not be permanently affected (neither increased nor decreased) as a result of participating in this program.

- Process:** As outlined in the campus Implementation Procedures, eligible faculty members will work with the department chair and department business officer to develop a proposal for a negotiated salary, with proposals approved by the dean and reviewed at the campus level.
- Application forms:** Each participating campus will collect common applicant information, as detailed on the systemwide template form, available from the Office of the President. This common reporting will allow for the collection of data to inform analysis of the program in phase two.
- Reporting/Review:** At the end of each fiscal year, the systemwide Provost will gather (from each EVC/P whose campus is participating) data on the program, compile it, and share in an annual report on the program to be distributed to the Council of Vice Chancellors (COVC) and the Academic Senate. Details of the report are listed below in section B. A comprehensive review will be undertaken after year three of phase two of the program.
- Implementation:** This document will serve as the Basic Program Document with all items outlined here to be constant among all participating campuses. The systemwide Provost will also develop "NSTP Phase Two Implementation Procedures," a template with procedural details of running the program on campus. Each campus will adapt this template to its own approval and review structures. Any departures from this Basic Program Document and the "NSTP Phase Two Implementation Procedures" must be approved by the systemwide Provost.
- Compliance:** When Federal projects are involved, the program must be compliant with Federal Uniform Guidance regulations at 2 CFR 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards." Participating faculty retain their obligation to abide by University policy including Conflict of Interest, Conflict of Commitment, the Faculty Code of Conduct, and the policy on the requirement to submit proposals and receive awards for grants and contracts through the University.
- Duration and termination:** Phase two of the program will run for four years, beginning July 1, 2018, with a full review after the third year. At that time, the systemwide Provost, Academic Senate, and the COVC will determine the advisability of

adding policy language to the APM or terminating the NSTP. A wind-down year may be necessary at that point if the trial program is not replaced by APM policy. The systemwide Provost may suspend the NSTP effective June 30 of any year should the program be deemed to put the University at risk; an individual campus EVC/P may suspend campus participation effective June 30 of any year.

In the 2019-2020 year, each participating campus will provide the systemwide Provost with a plan for possible rescindment at the end of phase two of the NSTP.

B. Metrics, Data Collection, and Reporting

The systemwide Provost will appoint a Senate-Administration Working Group to develop appropriate metrics and data collection for phase two of the NSTP. The group will review current data collection and metrics and recommend data that should continue to be collected, data that is no longer necessary to collect, and new data that should be collected during phase two of NSTP. The Working Group will determine data collection that allows for analysis of any differences in gender and race/ethnicity between those enrolled in NSTP and others in their units who are not enrolled. The data collected should also allow for review of the impact of the program on faculty recruitment and retention, research expenditures, department morale, funding sources, graduate education, post-doctoral training, teaching loads, and program administration costs. Survey data will also be considered as an option. Appendix F in the June 22, 2017 Negotiated Salary Trial Program (NSTP) Fourth Year Taskforce Report will be a guide for the Working Group.

At the end of each fiscal year during phase two, Academic Personnel and Programs at the Office of the President will prepare an annual report on NSTP, informed by the recommendations of the Working Group, and drawing on the data collected from all participating campuses. The report will be shared with the Academic Senate and the COVC. Each campus has the option to develop additional information that will assist its administration of the program.

A comprehensive review at the end of the third year of phase two will assess whether and to what extent NSTP has advanced University goals and will recommend whether it should be added to APM policy or terminated.