Re: APM 670, Health Sciences Compensation Plan

Dear Bob,

Thank you for the opportunity to opine on the recommended revisions to APM 670, the Health Sciences Compensation Plan. Upon receipt, I distributed the proposal to all standing committees of the Academic Senate, including the Faculty Executive Committees. Although all committees were welcome to opine, I specifically requested responses from the Faculty Welfare Committee (FWC), the Council on Academic Personnel (CAP), and the FECs from the David Geffen School of Medicine and the School of Dentistry.

The Board raised no objections to the proposal, although a number of the FECs and Councils requested specific modifications: 1) removal of the restriction on APUs smaller than five members; 2) retention of the Visiting Professor title within plan membership; 3) inclusion of provision for negotiating salary during sabbaticals; 4) replacement of the cap on the amount of outside earnings with a cap only on numbers of days devoted to outside activities; 5) clarification and strengthening of the role of the Advisory Committee, especially in APU formation and establishment of Good Standing; 6) reference to conflict of effort should be included (not just conflict of interest—for research faculty, there should be an understanding of how much effort is to be applied to teaching, research and service and for faculty with clinical responsibilities, expectations should be clear as to the percent time applied to patient care); and 7) the document should also make clear the consequences of problems associated with conflict of effort (not just conflict of interest), with regard to external activities and a loss of “good standing”. I am attaching all responses that we received so that you can see these comments in detail.

As always, please do not hesitate to contact me if I can be of any further assistance.

Sincerely,

Andrew Leuchter
Chair, UCLA Academic Senate

Cc: Martha Kendall Winnacker, Executive Director, Academic Senate
Jaime R. Balboa, CAO, UCLA Academic Senate
October 25, 2011

To: Andrew Leuchter
   Academic Senate, Chair

From: Joel D. Aberbach
   Faculty Welfare Committee, Chair

Re: Systemwide Review of APM 670, Health Sciences Compensation Plan

The Faculty Welfare Committee reviewed the Systemwide Review of APM 670, Health Sciences Compensation Plan at their meeting on Tuesday, October 11, 2011. The committee had no objections to the proposed revisions to the document.

We thank you for the opportunity to participate in this process.

Cc: Jaime Balboa, Chief Administrative Officer, Academic Senate
   Dottie Ayer, Assistant to Chief Administrative Officer, Academic Senate
   Brandie Henderson, Policy Analyst, Academic Senate
November 08, 2011

To: Andrew Leuchter, Chair
    Academic Senate

From: Council on Academic Personnel

RE: Proposed APM 670

CAP has reviewed the proposed APM 670 our comments follow.

1. The document refers to conflict of interest but it does not refer to conflict of effort. The effort put into securing a negotiated salary should not conflict with the mission of the university or the responsibilities of the faculty member. For research faculty, there should be an understanding with the department how much effort is to be applied to teaching, research and service. For those faculties who have clinical responsibilities, expectations should be clear as to the percent time applied to patient care.

2. In terms of outside time spent away from university teaching, research and service (consulting, invited talks, legal work etc), it should be clearly stated how compensation for these outside activities is compensated.

3. It is not clear how gifts for research or outside travel support from pharmaceutical companies for example will be addressed.

4. The vast majority of faculty in the Department of Medicine at all 5 affiliated hospitals in the School of Medicine are in the Health Sciences, Adjunct, and In-Residence series, which do not offer the opportunity for tenure. As they are on “soft money” regarding their base salary and delta (they do not receive state 19900 funding), it unclear how the compensation plan would address their compensation for effort in teaching and service. The In-Residence research faculty are evaluated under the same criteria as tenure-track faculty but are not compensated by the state for their teaching or service. This fact continues to be neglected in the APM as it pertains to salary negotiations and methods for compensation.
5. It is unclear at the University level (outside the Department), which entity outside the Department would review negotiated salaries each year to assure that inequities of pay are kept to a minimum and that “side deals” are kept to a minimum.

6. Throughout the document there are references to how abuse will be reviewed by the administration. However, the document should also make clear the consequences of problems associated with conflict of effort, with regards to external activities and a loss of “good standing” in terms of the faculty member’s commitment to the mission of the University.
November 3, 2011

Professor Andy Leuchter
Chair, UCLA Academic Senate

Re: Council on Planning on Budget Response to APM 668 and 670

Dear Professor Leuchter,

We had a lively discussion of the proposed revisions to APM 668 and 670 at our meeting of October 31, 2011. We began with a brief discussion of 670, the proposed revisions to the Health Sciences Compensation Fund. Most members...especially those not familiar with the details of the current HSCP...saw little in the revisions, beyond the elimination of verbiage that, while admirable in its sentiments, carried little governing force in the first place. One member knowledgeable about the process of review and revision leading to these changes lamented that earlier efforts to increase the role of peer review and transparency seem to have been abandoned in the final version. The new language apparently seeks to minimize the use of very small APS's, about which opinion was mixed.

APM 668 generated lots of comments, most of them unfavorable. The proposed Negotiated Salary Program provides a systemwide framework for campuses to developed specific programs to provide General Campus faculty with up to an additional 25% of their core salaries, funded by endowments, self-supporting program fees or research contracts and grants. One way to look at this is as the injection of new resources to retain or reward individual faculty members, above and beyond current resources. Another is that 668 would provide a more regularized framework for many practices currently being employed by chairs and deans, particularly in fields with high market demand. There are federal constraints on the degree to which grant money can be used for salaries, especially in some agencies. One of these constraints is that other sources for supplementary compensation must also be available, not just grants. Hence, this sort of broad-based program is essential if UC is to conform to federal rules about the use of federal contract and grant funding.

The broadest criticism of the NSP is that it would represent a fundamental culture change, a shift from our peer review-centered program to one in which individuals negotiate directly with their chairs and deans. Some thought it was more a reflection of changes that have already occurred in our local academic marketplace, though even they agreed that it could accelerate this change. Many committee members felt that such a system would be open to abuse and favoritism; others saw flexibility and potentially rapid response to outside offers. Most CPB members prefer that compensation continue to be provided largely or entirely within the
context of our pre-existing peer review system. On the other hand, many, and perhaps most, also recognize that chairs and deans play dominant roles in deciding actual compensation packages already. No one argued that compensation should be uncoupled from merit, but the consensus was that merit is best judged within the current peer review system.

Another criticism concerned the possible distorting effect of the NSP on faculty behavior, whatever the source of funding. For grant and contract income, it could impact the choice of research topics and funders, from pure research supported by NSF and research-oriented foundations, to more applied work funded by private entities. The earnings on research endowments might be re-directed from student support to faculty salaries (the same shift might be seen in the use of grant funds). Perhaps the most pernicious potential effect could be seen in funding from self-supporting programs, which, whatever the formal principles enunciated, would likely shift the balance of effort away from traditional undergraduate and graduate instruction toward professional and certificate programs.

A third dimension of the criticism involved the likely effect of increasing income inequality among faculty, both across and within units. Gender gaps could be enlarged and other inequality not based on generally recognized merit differences exacerbated.

CPB recognizes that there may be some perfectly good reasons to adopt a version of NSP at UCLA, especially given our generally precarious funding, the loss of faculty to other institutions, and the "drift" of eligible faculty to the Health Sciences so that they can be compensated under the HSPC. A minority of CPB members therefore favor adopting a version of the NSP. But the majority feel that it would be an unfortunate step to adopt the NSP at UCLA.

Respectfully,

David Lopez
Chair, UCLA Council on Planning and Budget

cc: Linda Sarna, Vice Chair, Academic Senate
    Ann Karagozian, Immediate Past Chair, Academic Senate
    Jaime Balboa, Chief Administrative Officer, Academic Senate
    Linda Mohr, Assistant Chief Administrative Officer, Academic Senate
    Council on Planning on Budget Members
October 31, 2011

Academic Senate Chair Andrew Leuchter
C/O Jaime Ronaldo Balboa, Ph.D.
Chief Administrative Officer
UCLA Academic Senate
Box 951408, 3125 Murphy Hall
Los Angeles, CA 90095-1408

Dear Academic Senate Chair Andrew Leuchter,

The FEC of the School of Dentistry met on 10/26/11 and reviewed the draft – clean copy of the APM-670 Health Sciences Compensation Plan. The committee unanimously concurs with the revisions as written with the following exceptions:

Page 12, Item (b): The committee recommends elimination of the requirement for Chancellor’s approval for an APU comprised of fewer than 5 members. This committee believes that the approval of the APU should remain with the Dean regardless of the number of members. Deans are in the best position to identify the critical differences in teaching, research and clinical responsibilities that underlie the basis for establishing unique APUs and their appropriate faculty composition. Under the guidelines in the proposal, Deans additionally receive input on the establishment and composition of the APUs from Department Chairs and School specific Compensation Plan Committees that review APU related matters. Item (b) places an unnecessary layer of approval that will complicate, rather than facilitate, the process.

Pages 7-8, Item (a): The “Visiting Professor” appointment was eliminated from the membership requirement in the proposal. The committee is in agreement to retain the existing membership criteria, which includes the “Visiting Professor” series. This provides flexibility for recruitment and retention of faculty as they transition to one of the other title series.

Page 16, Item (c): The committee recommends revision to this section as follows: “Plan members who are eligible for sabbatical leave, leave with salary, or extended illness leave may be granted such leave at the Fiscal Year Salary Scale (HSCP Scale 0), or the Health Sciences Scales Base Salary rate (X, X’) or total negotiated salary rate…” This added provision will allow the plan member to negotiate salary level with the Dean and APU director, taking into consideration reserve funds, APU income, School funds, etc. For example, if a faculty member proposes a sabbatical leave, but the APU does not have the resources (from all sources) to support the X’ salary component, the Dean would not be able to grant the sabbatical. However, if the faculty member could opt to forgo the X’ salary component, the Dean (and the APU Director) could grant the sabbatical leave.
Page 25 (2) The committee would like to clarify this section by recommending the following wording: “The University-wide Standard Requirement is that Plan participants shall be allowed to retain payments without submitting those payments for processing to the Health Science Compensation Plan from 21 days of service (other than patient care)…..”

Sincerely,

[Signature]

Dr. Sotirios Tetrakis
Chair, Faculty Executive Committee
November 3, 2011

To: Andrew Leuchter, Chair
    Academic Senate

From: Michael Meranze, Chair
    UCLA College Faculty Executive Committee

Re: College FEC response to the proposed revision of APM 670 (Health Sciences Compensation Plan)

Thank you on behalf of the College Faculty Executive Committee for the opportunity to review and opine on the UC Office of the President’s proposal to revise Academic Personnel Manual 670 (Health Sciences Compensation Plan). We discussed the proposal over email and at our October 28, 2011 meeting. On October 31, 2011, a formal vote to endorse the comments of this letter was conducted electronically (12 approve, 0 oppose, 1 abstain). At present, the FEC generally endorses the revisions to the policy. The following summarizes the FEC’s attempts to capture the tone of our discussion:

1. APM 670 should include greater transparency about the role of Academic Programmatic Units (APU’s), since they play an important role in faculty UCRP contributions. In particular, the policy would benefit from offering a rationale for the need of different APU’s as well as a process for establishing agreement between faculty and department chairs regarding APU assignments. The Advisory Committee should also be included when APU’s are changed.

2. APM 670-10 (Standards/Criteria/Qualifications) should clarify whether the policy intends to single out only those members of a “clinical practice plan” or if the policy intends to be inclusive of non-clinicians as well. If the intent is to single out clinical practice plan members, then the FEC suggests the language of this paragraph be highlighted as pertaining ONLY to those members; and a separate paragraph be included to describe the terms of Good Standing for non-clinicians.

3. APM 670-10 (Standards/Criteria/Qualifications) should also clarify what is meant by “inability to generate salary support.” The vague wording should be deleted or expanded to explain what is meant.

4. APM 670-14 (Eligibility) should specify the funding percentage of faculty salaries when the faculty appointment is more than 50 percent full-time in one or more of the participating health sciences units.

5. APM 670-18 (Salary) should include a definition and description of Total Negotiated Salary (TNS). In addition to a rationale for TNS, the section should also include guidelines on how to address exceptional circumstances that may warrant increasing or decreasing TNS (e.g.
cost of living increase, furlough). Assuming the policy allows TNS to be adjusted mid-cycle, than a process for obtaining a waiver should be developed and described and the Advisory Committee should be consulted prior to a final action.

6. APM 670-6 (Role of the Advisory Committee) should include guidelines for the development of the school’s Implementing Procedures, including the establishment of Good Standing criteria, APU assignments, and APU Scales (including changes to APU scales that may occur over time).

7. APM 670-80 (Procedures/Review Procedures) should specify which HSCP Salary Scale has been assigned to the Plan member’s APU as well as the rationale for the assignment.

8. Appendix C should list State funds, since some faculty receive 19900 funds as part of their base salary.

Our membership appreciates the consultative process and welcomes the opportunity to opine on future drafts or responses to the issues highlighted in this letter. In the meantime, you are welcome to contact me at meranze@history.ucla.edu with questions. Kyle Stewart McJunkin, Academic Administrator, is also available to assist you and he can be reached at (310) 825-3223 or kmcjunkin@college.ucla.edu.

cc: Jaime Balboa, Chief Administrative Officer, Academic Senate
    Lucy Blackmar, Assistant Vice Provost, Undergraduate Education Initiatives
MEMORANDUM

Faculty Executive Committee

TO: Jaime Balboa, CAO
    Academic Senate
    3125 Murphy Hall

FROM: Alan J. Laub, Professor
      Chair, HSSEAS FEC

DATE: November 3, 2011

RE: RESPONSE TO ACADEMIC SENATE - SYSTEMWIDE REVIEW APM 668 & APM 670

We have read the proposed revisions to APM 668 and APM 670 and have the following comments:

We have no comment on the specific text used. However, with regard to APM 668, we wish to be on record as raising the issue of fairness to faculty who do not have grants to charge.
Dear Jaime -

The DGSOM FEC discussed these APM revisions at our meeting last night, November 2nd, and the Committee asked that the following feedback be communicated to you and the Senate leadership.

**With regard to APM 670,** it became apparent that many of the good qualities of the original version were being clarified, and the FEC was supportive of these improvements, and especially appreciated the table comparing the old and proposed texts. Further, it was reassuring to see that the feedback from the stakeholders had led to many of these modifications.

One potentially-concerning issue dealt with an apparent cap on the Outside Professional Earnings with an approval threshold of $40,000 or 20% of the HPCP salary (page 29 and 30 of the clean copy of the APM). The FEC would benefit from clarification on which component of the salary this cap applies to: X, X', or Y, or some combination thereof. Additionally, concern was expressed regarding the limited earnings potential for faculty who work within the 21 day maximum but who might be compensated generously for highly-specific activities during that time. One example included a potential Nobel laureate who might command relatively large honoraria for a speaking engagement and whose activities might reach the threshold with one or two talks, well within the 21 day limit and without presenting a worrisome conflict of commitment or interest issue. The Committee noted that such lectures are of great benefit to the visibility and stature of the Institution, and as such, a threshold would seem to be counterproductive.

In fact, the University has recognized that recruitment and retention of outstanding faculty requires appropriate financial recompense, including innovative approaches to such funding as have been recommended in the new APM 668, discussed below.

Our recommendation would be to focus on the conflict of commitment issues, as addressed with the 21 day limitation, and allow flexibility as to the amounts of compensation that may be linked to activities pursued within that time frame.

**With regard to APM 668,** as mentioned above, the Committee was supportive of permitting multiple sources of salary support, including through non-state funded mechanisms. As is clear, the UC system Medical Centers have used this approach successfully for many years. However, the Committee noted that care must be taken to avoid a "slippery slope" condition with eventual lack of funding from state sources, as non-state monies might be substituted for state support. This could change the character of the University from one with a public mission to more of a private university model.

**With regard to APMs 200 and 205,** the Committee was supportive of these proposed changes, as many members reflected on the great value of recalled faculty for teaching, research, clinical, and administrative help for departments, enabling active faculty to pursue forward-looking
activities to build the future of the University. The Committee noted the 43% cap, with the understanding that this was for health insurance reasons.

The Committee, Chair, and Vice-Chair of the DGSOM FEC appreciate the opportunity to vet and comment upon these important changes in UC policy.

Sincerely,

Ian A. Cook, M.D
Chair, DGSOM FEC

Jonathan S. Jahr, M.D.
Vice-Chair, DGSOM FEC
October 14, 2011

TO: Executive Committee, UCLA Academic Senate

FROM: Steven P. Wallace, PhD
        Chair, UCLA School of Public Health
        Faculty Executive Committee

RE: Various APM Revisions (September 19, 2011 email)

Thank you for soliciting our input on the proposed revisions to APM sections 200, 205, 668, and 670. Given the work that the School of Public Health has done in the past on trying to develop its own compensation plan based loosely on the School of Medicine plan, we were especially interested in APM 668 which would formalize a compensation plan for all units.

We considered each of the three sets of proposals and unanimously (7-0-0) voted to endorse each of the sets of proposed changes.
Memorandum
Faculty Executive Committee, School of Theater Film and Television

November 9, 2011

Andrew Leuchter, Chair, Academic Senate

Dear Andrew,

Below are the responses from the Faculty Executive Committee of the School of Theater, Film and Television for the five review items we have recently received.

Item #1 - Review of New APM 668, Negotiated Salary Program

After extensive dialog the committee opposes the implementation of the proposed “Negotiated Salary Program”. The committee expressed the following concerns:

1) That the NSP policy/program weakens the central administration responsibility to provide fair and appropriate salary for its entire faculty.
2) That the NSP policy/program has the potential to create large disparities between “marketable” and “non-marketable” disciplines.
3) That the NSP policy/program would generate additional burdens on academic departments because of the required one/two year commitment stipulation.
4) Confusion about the mechanism by which Chairs would engage in “NSP negotiations” and approve “NSP proposals”.
5) Confusion about the potential use of “Professional Fees” for NSP.

Motion: We applaud and appreciate the President’s and Chancellors’ efforts to increase salaries for faculty across the board. However, we do not endorse this proposal to increase compensation through resources that the faculty themselves are required to earn or secure for the school.

The motion passed. The vote was unanimous.

Item #2 – Review of New APM 670, Health Sciences Compensation Program

The faculty found the proposed APM discipline-specific and decided to abstain from responding.

Motion: To abstain from responding.

The motion passed unanimously.
Item #3 – Analysis of UC Pay Equity by Sex and Among Men, Ethnicity 2009-2010

The committee reviewed the data and conclusions of the study conducted by Professor Pauline Yahr.

**Motion:** To encourage the university to continue to understand the dynamics according to ethnicity and gender and to take actions to bring fair and equal levels of pay for its entire faculty.

The motion passed unanimously.

Item #4 – Revision by UCEP to Senate Regulation 610 addressing “Residency”

The committee reviewed the proposed policy clarification and new policy language.

**Motion:** To endorse the policy revisions as written.

The motion passed unanimously.

Item #5 – BOARS Policy on Transfer Admissions

The committee had an extensive dialog regarding the proposed policy. Concerns were expressed about the potential student pool limiting factor of the proposal. The committee also felt that the proposal does not generally apply to the fields of study in our School. Yet, generally it was seen as a positive step for the University.

**Motion:** To endorse the proposed BOARS policy as a mechanism to more effectively bridge the transfer process and to facilitate graduation in the appropriate time.

The motion passed unanimously.

Sincerely,

Fabian Wagmister

*Associate Professor, Department of Film, Television and Digital Media*

*FEC Chair, School of Theater, Film and Television*