

## Off-scale salary dispositions

It is very important that the dispositions of off-scale salaries be specified in departmental letters of recommendation for academic reviews. Off-scale policies and terminology have changed and evolved over the last few years, leading to confusion and inconsistency in their application and use. Following is a list of off-scale terms and descriptions of the situations in which they normally apply. If you encounter a unique situation, please contact the appropriate dean's office for help in determining the correct disposition.

### Market off-scale salaries

**New:** A department may propose a "new" market off-scale salary award in the following circumstances:

- 1) a market off-scale salary is being requested for the first time for a new or existing academic employee;
- 2) a market off-scale salary is being proposed for an existing academic employee who has had a market off-scale in the past but currently has an on-scale salary ; or
- 3) a new academic employee is coming to UCSD from another UC campus where he or she has a market off-scale salary. The proposed market off-scale salary at UCSD is considered new.

A new off-scale salary must be thoroughly justified in the departmental recommendation letter.

**Maintained:** If an appointee has a market off-scale salary that will be less than six years old on the effective date of the proposed action, and the department wants the appointee to continue to receive the *same* market off-scale increment, the department need only indicate that the off-scale salary will be maintained in accordance with policy.

**Reset:** If an appointee will have had a market off-scale salary for six years on the effective date of the proposed action, and the department wants the appointee to continue to receive the *same* market off-scale increment, the department should propose a "reset" market off-scale salary. Like a new market off-scale, a reset market off-scale must be thoroughly justified in the departmental recommendation letter. Criteria for rejustification include market conditions in the field, a sustained career trajectory, maintenance of stature in the field, and, in some instances, the importance of retaining the appointee at UCSD.

**Reset with increase:** With appropriate justification, a department may propose an increase in the amount of a market off-scale salary, even if the market off-scale is less than six years old. If approved, the market off-scale is reset at the higher level for a new six-year period. For example, resetting of a market off-scale with an increase may be proposed when there is a documented offer of employment from another institution.

**Tapered:** If a department judges that a market off-scale salary is no longer justified, it should propose that the appointee's market off-scale increment be "tapered," meaning that it will be reduced (normally by one-half) on the effective date of the proposed action. The salary usually will be returned to scale at the following review. A market off-scale salary is tapered by half only if the appointee receives a merit increase, so that the total salary is not reduced. If a faculty member has a very large market off-scale, the department may propose that the salary be tapered by less than half to avoid a reduction in total salary.

If a department judges that a market off-scale salary is no longer justified, but the market off-scale increment cannot be tapered on the effective date of the proposed action without causing a reduction in the total salary (as when the final action results in no change in step), the department should propose that the market off-scale increment be "range-tapered" (reduced at the time of future range adjustments) until the salary is returned to scale. If no range adjustment occurs in a given year, the market off-scale increment will continue unchanged until the next range adjustment, or until the appointee's next advancement, whichever takes place first.

#### Bonus off-scale salaries

A new policy regarding bonus off-scale salaries was announced in May 2003. As of July 1, 2003, bonus off-scale salary awards may only be one-half-step increments (i.e., one-half of the difference between the proposed step and the next higher step, rounded up to the next \$100 if necessary), and they are paid over a single review period. The salary is normally returned to scale at the time of the next review, although it may be range-tapered if necessary to avoid a reduction in salary. For details, see the announcement archived on the Administrative Records Web page: <http://adminrecords.ucsd.edu/Notices/2003/2003-5-9-2.html>

**New:** Under the revised policy, whenever a department proposes a bonus off-scale salary award, it is "new." If an appointee has an existing bonus off-scale salary and the department judges that he or she continues to deserve a bonus off-scale salary increment, the department must propose and justify a new bonus off-scale award at the next review. Thus bonus off-scales cannot be "maintained," "reset," or "increased."

**Tapered:** Under the revised policy, there is no tapering of bonus off-scale salary awards. The bonus off-scale is paid over a single review period, and the salary is returned to scale at the next review. However, when the revised policy was announced, a number of appointees had existing bonus off-scale awards that were to be tapered by half and/or returned to scale at subsequent reviews. These faculty members were exempted from the new policy until their existing awards ended. In these cases only, departments may propose that bonus off-scale increments be tapered by half or that salaries be returned to scale on the effective date of the proposed action.

If an appointee is not advanced at the next review following the award of a bonus off-scale, the department should propose that the bonus be range-tapered (reduced at the time of future salary range adjustments) so that there is no reduction in salary. If no range adjustment occurs in a given year, the bonus off-scale will continue unchanged until the time of the next range adjustment, or until the appointee's next advancement, whichever takes place first.

#### Combination off-scale salaries

If an appointee has both a market off-scale salary and a bonus off-scale award, the disposition of each off-scale salary increment must be specified in the departmental recommendation letter.