Academic Affairs
Fiscal Contacts Meeting
February 17, 2015
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Overview

- Where are we now?
  Year 3 of the five year pilot will begin 7/1/15. This compensation plan allows faculty to utilize external fund sources to support a portion of their total UC salary.

- Who is Eligible?
  Ladder-Rank and In-Residence faculty in participating general campus and SIO departments who meet the good standing and eligibility requirements stated in the UCSD Implementation Guidelines.

- How does it work?
  The 2015–16 process will follow the same process as year 2. Faculty in participating departments who enroll will negotiate an additional salary increment that is be added to his/her covered compensation rate (scale rate plus off-scale) to create the Total UC Salary Rate for the 2015–16 year. The negotiated increment may not exceed 30%* of the individual’s covered compensation rate.
  *Divisions may limit negotiated increment % to less than 30%.

- Are there other costs to participate?
  Enrolled faculty must contribute released base salary equal to 10% of the increment to a contingency fund and must cover the additional benefits costs.
Salary Components

Covered Compensation Rate
- Scale-based salary rate plus any off-scale
- Covered compensation is the portion of salary used for benefit calculations (e.g., retirement, disability, life insurance, etc.)

Negotiated Salary Increment
- Negotiated annually, not to exceed 30%* of covered compensation
- The negotiated salary increment is not covered compensation
  *Divisions may limit % to less than 30%

Total UC Salary Rate
- Covered compensation plus the negotiated salary increment
<table>
<thead>
<tr>
<th>Salary Component</th>
<th>Fund Source</th>
<th>Covered Comp?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Covered Compensation (scale rate + off-scale, if</td>
<td>State General Funds or Student Tuition</td>
<td>Yes</td>
</tr>
<tr>
<td>applicable)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Negotiated Salary Increment</td>
<td>External funds</td>
<td>No</td>
</tr>
<tr>
<td>Summer Salary</td>
<td>Varies</td>
<td>No, but eligible for special Defined Contribution Plan benefit (matching 3.5% contributions from employee and employer)</td>
</tr>
<tr>
<td>Administrative Stipend (if applicable)</td>
<td>Varies</td>
<td>Yes</td>
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Salary Guidelines

- Salary rates are negotiated annually, effective July 1 – June 30
- Salary rates will not be changed for any reason during the plan year including:
  - Salary scale adjustments*
  - Retroactive merit increases
  - Receipt of additional external funds

*If the scale-based rate is raised, the negotiated increment will be adjusted downward so that the Total UC Salary Rate remains constant. Requires manual PPS entry!
Leaves of absence, including sabbatical, must be considered during GCCP salary negotiation.

A copy of the approved ALAS form must be submitted with the GCCP request.

Faculty cannot participate in FSEP while on sabbatical leave.

Medical leave, partial sabbatical and partial leave without pay does not constitute GCCP cancellation.

Partial sabbaticals result in a reduction to 19900A funding and an increase on extramural funds as a sabbatical leave supplement. The Total UC Salary remains the same.
Good Standing Criteria

Minimum Requirements

- 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 may add to the general good standing criteria noted in the Implementation Guidelines. Such additions must be approved by a 2/3 majority of the department’s Senate faculty.

Departments must verify Sexual Harassment training is up to date for all participants.

Departments must verify faculty have completed required training and are not delinquent on OCGA reports.

CAP’s Review of Good Standing

- If department uses good standing criteria that differ from the general program guidelines, a copy must be provided to CAP at the time of review for faculty who are being considered for a 7/1/15 academic review action.
- The outcome of the individual’s most recent review will be provided to CAP.
- CAP will be provided the most recent review file for faculty who received a “No Change” action in the any of the three most academic reviews.
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.
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.
<table>
<thead>
<tr>
<th>Responsible Party</th>
<th>Steps/Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Faculty member</td>
<td>Initiate request\nEnsure good standing criteria have been met</td>
</tr>
<tr>
<td>Department fund manager/business officer</td>
<td>Verify allowable and sufficient funding is available\nComplete salary worksheet\nAssist faculty member with request form</td>
</tr>
<tr>
<td>Chair</td>
<td>Confirm good standing\nConfirm funding\nNegotiate salary\nForward endorsement to Dean</td>
</tr>
<tr>
<td>Dean</td>
<td>Verify accuracy and appropriateness of proposal\nForward endorsed proposal to EVC</td>
</tr>
<tr>
<td>CAP</td>
<td>Review proposal and make recommendation to EVC</td>
</tr>
<tr>
<td>EVC</td>
<td>Issue final decision</td>
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</tbody>
</table>
UCOP/campus committee developed metrics for program

Information includes surveys of faculty and administrative staff, participant demographics, salaries, fund sources, teaching responsibilities, graduate student support

Annual report due to departments, deans, CAP, Academic Senate and UCOP by November 1
Recap of Years 1 and 2

Year 1 Stats
- All general campus divisions and SIO participated
- 19 departments participated
- 82 faculty enrolled
- Enrollment percentages ranged from 4–30%

Year 2 Stats
- All general campus divisions and SIO participated
- 17 departments participated
- 100 faculty enrolled
- Enrollment percentages ranged from 5–30%
Lessons Learned

- Unexpected leaves (e.g., medical) do not constitute withdrawal from the program
- Last minute PPS updates result in a higher percentages of errors and manual adjustments by Payroll
- FSEP and leave requests should be submitted with the enrollment request
Year 3 Process

- EVC sent Academic Senate members an announcement on February 5, 2015, that Year 3 of the pilot program has launched.
- Divisions will issue the actual call for enrollment requests by March 1.
- Faculty are expected to submit enrollment requests by April 1.
- Department Chairs will review and submit recommendations to the Dean by April 15.
- Dean will submit recommendations to the EVC by June 1.

Some flexibility in the schedule may be necessary. Communication is key!
Year 3 Form Changes

Request Form Changes

- Compensation Proposal Section – Current reporting line for rank, step, scale etc. has been removed. Proposed remains.
- Faculty Certification Section – new line for reporting of graduate students advised and postdocs trained by the faculty is now included.

Faculty Salary Worksheet Changes

- EVC’s office will no longer review salary worksheets for funding. Departments and Deans offices have full responsibility for reviewing funding and all other info.
- Current rank, step, scale reporting line has been removed and is no longer required to be reported.
Salary Structure and Funding Section:

Q: Can start-up funds be used as a fund source for the program?
A: Start-up funds may be used only for purposes stated in the offer letter. 19900A and 19900R funds may not be used.

Leaves Section:

Q: Can I take a sabbatical leave while participating in the program?
A: Yes, and the leave should be approved prior to or as part of the GCCP salary negotiation. Sabbaticals requested following GCCP approval should include justification for delay in submission.

Q: If there is shortfall in my expected funding due to a leave of absence, will contingency funds automatically be used to supplement my salary up to the Total UC Salary Rate?
A: Academic divisions are responsible for developing guidelines for the use of GCCP contingency funds in their respective areas. There is no explicit requirement that the contingency fund be used in leave cases. It is at the discretion of the Dean’s Office to require faculty to use “banked” unrestricted funds before requesting dispensation from the contingency fund.
Salary Worksheet Considerations

- Always round up when determining the percentage of covered comp
- Use the same total percentage of covered comp every month
- Use the same total percentage of negotiated comp every month
- Make sure 100% of salary is paid each month
- Check projected salary to be paid on 19900A and 20095A against budgeted amounts
Salary Worksheet Considerations

- If NSF funds are used, confirm that salary charged to NSF is no more than the equivalent of two summer ninths salary.
- 19900A, 19900R, and 20095A are not allowable fund sources for negotiated salary component or for cap gap.
PPS Considerations

- Record purposes appointment block
  - Use Appointment 10
    
    Due to upcoming UCP path conversion as well as PAN review and reporting considerations, it is important that the first appointment block (#10) reflect the primary appointment status. This may require you to rearrange existing appointments and distributions.
  - Staffing-only distribution(s) to hold the FTE (RGS DOS code, indefinite)
  - Negotiated increment distribution (RPY DOS code, 7/1–6/30)
  - Upon update, annual rate will default to highest monthly rate X 12 (e.g., covered compensation)

- Pay appointment block at Total UC Salary Rate
  - Distributions that generate pay on appropriate funding during plan year
  - Reflects monthly rate of total UC Salary Rate (except salary cap, cap gap)
  - Use appropriate DOS codes to ensure covered comp amount, salary caps, etc.

- Add other appointments as necessary
  - Summer salary
  - Stipend
  - Non-salaried appointments
PPS Considerations (cont’d)

- Home department is responsible for entering the entire GCCP action in PPS even if an ORU or other department’s funds are used. Coordinate as necessary with the appropriate ORU or secondary department staff.

- After you have updated the entry, ensure the PAN reviewer in your department checks to ensure the salary components match what was approved and that the pay percentages total 100%.

- Delete any orphan appointments that have no associated distributions.

- Summer salary entries (research or teaching in summer session) should be entered on higher numbered appointment lines (e.g. 30, 40 and so on) that follow the primary appointment and pay information. Instead of using the Add A command on the function line, use Add 30 (or other vacant appointment number; 30 is just used as an example here).

- Wait until Academic Compensation gives the word to enter the GCCP’s, and related Summer Salary, in PPS. We want to minimize the number of changes you must make.

- Please be sure that return to regular pay distributions are added effective 7/1/16.
PPS Entry Tips

- All GCCP distribution percentages when totaled should equal 100%
- The combined total of all GCCP distributions (monthly rate * % and cap gap amounts) during the participation period must add up to the annual Total UC Salary rate
- GCCP distributions with covered compensation DOS codes must add up to the full annual covered compensation rate
- Faculty must be paid at least 50% of the covered compensation rate on core funds (e.g. FSEP may not exceed 50%)
- The NIH CAP is currently $183,300. For Academic Year faculty, the monthly capped rate is $11,456.25 ($183,300 * .75 = $137,475 / 12 months = $11,456.25). The monthly NIH capped rate for summer ninths is $15,275 ($183,300 * .75 = $137,475 / 9 = $15,275). These rates ensure that no more than $183,300 is paid over the course of the year. For other NIH CAP rates, use the same methodology to determine the correct monthly rates.
- Cap gap payments must be issued on fund sources that do not require percentage of effort reporting.
- Cap gap payments may not be paid on 19900A funds
- Summer salary is eligible for a special DCP benefit (7% total based on an employee pretax contribution of 3.5% and an employer matching contribution of 3.5% charged to the fund source)
- Additional appointments may need to be added to support the number of distributions required to record all of the funding under the GCCP
- The record purposes distribution for the negotiated increment (RPY) must be on 00000A funds
- Make a note on your calendar for next June to ensure new pay distributions have been or will be added, effective 7/1/16
- Note GCCP details in PAN Comments (Covered Comp Rate, Negotiated Increment, Total UC Salary Rate). Also add standard summer salary, leave, FSEP and other required comments in the same entry.
  
  Example: GCCP 2015–16, Cov Comp $100,000, Neg Inc $10,000, Total UC Salary Rate $110,000; Pay 3/9ths ASC; will work 57 days
GCCP – Revised Request Form

- Review of Excel sheets