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April 25, 2018

DEANS

Re: Revised Expectations Regarding Initial Off-Scale Salaries for New Faculty Hires

Dear Colleagues,

For the last two years our campus has committed significant resources to reduce faculty salary inequities that were identified in the report *2014 Joint Administration-Senate Task Force Faculty Salary Equity Analyses.* The Task Force concluded that strong performance in scholarship, teaching and service is best rewarded through careful review and our merit and promotion process. That process has now been enhanced by our adoption of the Step Plus merit advancement system for most career academics at UC Davis.

The 2014 report clearly demonstrated that the expected correlation between faculty salary and merit-based advancement had been seriously eroded by the increasing use of off-scale salaries to recruit new faculty members due to base salary scales that were falling further and further behind market rates. This resulted in severe salary inequities associated with the decade of hire and, accordingly, widespread salary inversion and compression within some academic title series. Our campus pushed for approval to target salary increases in 2015 and 2016 so as to reduce these inequities, and then invested up to 2.5% of total annual salary expenditures (1% more than that mandated by the Office of the President) within each unit to achieve formula-driven increases in off-scale salary for academic appointees with lower- than-average off-scale compensation. For state-funded Academic Senate faculty, these investments were made centrally by increasing the allocation to each unit in which equity adjustments were made.

The impact of these investments on salary inequity has been profound. On average, the coefficient of variation in off-scale salary for ladder-rank faculty within campus units has been reduced by 44%, and every academic unit has seen declines. While inequities undeniably remain, UC Davis has made tangible progress towards restoring fairness, balance and transparency in academic compensation.

It is incumbent upon leaders at all levels to prevent salary inequities from worsening insidiously. To avoid losing hard-won ground on restoring salary equity I am requesting that, as of today, all new academic hires be provided a compensation package in which they receive no less than the average off-scale salary for appointees within your unit who are within the same title series and salary scale. The relevant data for your unit, based on off-scale salaries on March 1, 2018, are provided in the attached appendix. If offers have already been made that include off-scale salaries below the average of your unit, please elevate them to the average in your final offer or at the time of hire.

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Going forward, Academic Affairs will provide updates of these data in November or December to guide the development of recruitment offers later in that academic year. Please note that deans should work with Academic Affairs to determine appropriate salary offers for new appointees who are Above Scale, in the LSOE series, or in Academic Federation titles that have been included in our salary equity adjustment program (Adjunct Professor, Professional Researcher, Project Scientist, and Continuing Educator).

These new off-scale requirements have several implications for our recruitment process.

- If a candidate is to be offered less than the relevant average off-scale salary, the dean must make a compelling case to the VP-AA for an exception.
- Deans will no longer need to request VP-AA approval of off-scale salaries for new hires that are equal to the relevant unit mean or up to \$4000 above that mean. To speed processing, requests for approval of off-scale salaries above that +\$4000 limit should also include the average, relevant off-scale salary for comparison.
- Going forward, if there is a campus-funded faculty salary equity program in the year of hire, funding will not be provided for this adjustment for appointees hired with off- scales below the unit average, unless an exception was granted by the VP-AA.

I recognize that recruitment offers typically specify total salary, with the final off-scale salary ultimately determined by the hiring rank and step. Should a new hire be approved for appointment at a higher rank or step than anticipated, the dean must still provide an off-scale salary no less than the unit average.

Sincerely,

Ragh () Kepter

Ralph J. Hexter Provost and Executive Vice Chancellor

c: Vice Provost Kass Assistant Vice Chancellor Mangum