

used total compensation data prepared and published by the American Association of University Professors in their respective faculty salary reports.

2. Recommendations

We recommend that total compensation data, as reported by the American Association of University Professors, be included in faculty salary reports as a supplement to separate salary and fringe benefit information.

E. Special Privileges and Benefits

1. Findings

There are other faculty privileges and economic benefits which are not classified as fringe benefits because they may not be available to all faculty or fit the definition of a fringe benefit in some other respect. Examples at the University of California include up to one-half the cost of moving expenses, vacations for 11-month appointees, the waiving of nonresident tuition for faculty children, sabbatical leaves with pay, and other special and sick leaves with or without pay.

2. Recommendations

It is recommended that a list of special privileges and benefits be defined and summaries of related policies be included in a special section in future faculty salary reports so that the Legislature will be aware of what these privileges and benefits include.

3. Comments

The expansion or establishment of some of these special privileges and benefits could improve recruiting success more than the expenditure of comparable amounts in salaries. For example, moving expenses are not currently offered by the state colleges but some allowance might make the difference of whether a young candidate from the East could accept an appointment. If this type of benefit is proposed, it must include adequate controls.

F. Supplementary Income

1. Findings

a. The multiple loyalties created by permitting faculty to supplement their salaries by earning extra income from various sources within and outside his college or University is recognized as a problem common to institutions of higher education throughout the United States.

b. There apparently are proportionately more private consulting opportunities in Califor-

nia than in other areas of the nation. For example, 51 percent of the federal research defense contracts were concentrated in California during 1963-64.

c. The University of California has general policies designed to insure that outside activities do not interfere with University responsibilities. If outside activities interfere with University responsibilities, the faculty member generally must take a leave of absence without pay until such outside activities are completed. These and other related University policies were praised in a 1956 Carnegie-financed study titled *University Faculty Compensation Policies and Practices*.

d. The Coordinating Council for Higher Education submitted excerpts from nationwide studies relating to the magnitude of outside activities. We have no way of determining how the data may relate to California, but if the figures are reasonable, then it appears that probably a large percentage of faculty have at least one source of extra income. Sources of income were reported as follows:

Source	Percent of faculty earning additional income from source
Lecturing	21%
General writing	23
Summer and extension teaching	25
Government consulting	18
Textbook writing	18
Private consulting	12
Public service and foundation consulting	9
Other professional activities	13

Source: *University Faculty Compensation Policies and Practices in the U. S.*, Association of American Universities, University of Illinois Press, Urbana, 1956.

e. The United State Office of Education has just completed a nationwide sample survey of outside earnings of college faculty for 1961-62. Although data has not been published yet, special permission has been received to report the following results which are quoted from a letter sent to the Legislative Analyst on December 8, 1964 from the staff of the California State College Trustees:

**OUTSIDE EARNINGS OF TEACHING FACULTY ON ACADEMIC YEAR CONTRACTS (9-10 MONTHS)**

The U. S. Office of Education has just completed a nationwide survey of outside earnings by a sampling of all college faculty nationwide for 1961-62. The results are as follows:

	Percent	Average earnings
All with outside earnings	74	\$2,200
Summer teaching	44	1,300
Other summer employment	11	1,800
Other teaching	13	900
Royalties	8	1,200
Speeches	9	200
Consultant fees	13	1,400
Retirement (individuals who have retired who teach elsewhere after retiring)	1	3,400
Research	7	1,800
Other professional earnings	10	1,300
Non-professional earnings	8	1,700

The highest average earnings by teaching field and the percentage with outside earnings are:

	Percent	Average earnings
Law (which we do not have)	78	\$5,300
Engineering	83	3,200
Business and Commerce	73	2,500
Physical Sciences	80	2,900
Agriculture	71	2,800
Psychology	85	2,700

In light of the Joint Committee discussion you might be interested in the following:

	Percent	Average earnings
Social Sciences	74	\$1,900
Fine Arts	74	1,800
Philosophy	74	1,500
Religion and Theology	78	1,300

## 2. Recommendations

- a. We recommend that the Coordinating Council for Higher Education, the University of California and the California State Colleges cooperate in determining the extent to which faculty members participate in extra activities to supplement their nine-month salaries including information as to when extra activities are usually performed (such as vacations, etc.). Such activities would include, but not be limited to, lecturing, general writing, summer and extension teaching, government consulting, textbook writing, private consulting, public service and foundation consulting, and other professional activities. If such a study suggests that the magnitude of these activities is such that the performance of normal University and state college responsibilities are perhaps being adversely affected, then consideration should be given

to the possibility of maintaining more complete and meaningful records. Such records would aid administrative officials and academic senates when reviewing recommendations for promotions and salary increases and provide summary data for reporting to the Legislature on these significant faculty welfare items. Next year's faculty salary report of the Coordinating Council for Higher Education should incorporate the results of this study.

- b. We also recommend that existing state college policies and enforcement practices regarding extra employment be reviewed and updated.
- c. Finally, it is recommended that faculty salary reports keep the Legislature informed about policies and practices relating to extra employment.

## 3. Comments

In our opinion, it would seem that any extra employment would affect the quality of performance of University responsibilities since faculty surveys indicate that the average faculty workweek is 54 hours. The time spent on activities for extra compensation (except during the summer) would be on top of what the faculty has defined as their average workweek. Because, in some instances, it is difficult to determine whether a given income-producing activity, such as writing a book, is considered a normal University responsibility or an extra activity, distinctions between normal and extra activities need to be more clearly defined.

Much of the outside compensation received by faculty comes in the form of grants made directly to the faculty member rather than through the University or colleges. There is no regular reporting of these grants or the personal compensation which they provide to faculty, and the colleges and University do not consider the reporting of such income to be feasible. It may be desirable to encourage the Congress to direct that greater number of grants made by United States agencies for research be made directly to academic institutions.

APPENDIX E

University of California Salaries and Cost of Fringe Benefits  
1983-84

TABLE 1

## UNIVERSITY OF CALIFORNIA

Projected 1983-84 Salaries for Comparison Group  
Based Upon Compound Rate of Increase in Average Salaries  
(Equal Weight to Each Comparison Institution)

<u>Academic Rank</u>	<u>Comparison Group Average Salaries</u>		<u>Compound Rate of Increase</u>	<u>Comparison Group Projected Salaries</u>
	1977-78	1982-83		1983-84
(1)	(2)	(3)	(4)	(5)
Professor	\$30,386	\$45,339	8.33%	\$49,117
Associate Professor	20,646	30,542	8.15	33,030
Assistant Professor	16,365	25,385	9.18	27,715

TABLE 2

## UNIVERSITY OF CALIFORNIA

Percentage Increase in UC 1982-83 All Ranks Average Salary  
Required to Equal the Comparison Group Projections for 1982-83 and 1983-84,  
Based on Five-Year Compound Rate of Increase in Comparison Group Salaries  
(Equal Weight to Each Comparison Institution)

Academic Rank	UC	Comparison Group		Percentage Increase	
	Average Salaries	Salaries		Required	
	1982-83	1982-83	1983-84	1982-83	1983-84
		(Actual)	(Projected)		
(1)	(2)	(3)	(4)	(5)	(6)
Professor	\$41,645	\$45,339	\$49,117	+ 8.7%	+17.94%
Associate Professor	27,664	30,542	33,030	+10.40	+19.40
Assistant Professor	22,820	25,385	27,715	(+11.24	+21.45
All Ranks Average	35,768	39,114 <sup>1</sup>	42,393 <sup>1</sup>	+ 9.35	+18.52

1/ Based on projected UC 1983-84 staffing: Professor, 3,138; Associate Professor, 1,087; Assistant Professor, 743. Total staff: 4,969.

TABLE 3

## UNIVERSITY OF CALIFORNIA

Projected 1983-84 Cost of Fringe Benefits for Comparison Group  
Based Upon Compound Rate of Increase in Average Fringe Benefit Costs  
(Equal Weight to Each Comparison Institution)

<u>Academic Rank</u>	<u>Comparison Group Average Cost of Fringe Benefits</u>		<u>Compound Rate of Increase</u>	<u>Comparison Group Projected Cost of Fringe Benefits</u>
	1977-78	1982-83		1983-84
(1)	(2)	(3)	(4)	(5)
Professor	\$5,556	\$9,145	10.48%	\$10,103
Associate Professor	3,788	6,721	12.15	7,538
Assistant Professor	3,165	5,719	12.56	6,437

TABLE 4

## UNIVERSITY OF CALIFORNIA

Percentage Change in UC 1982-83 All Ranks Average Cost of Fringe Benefits Required to Equal the Comparison Group Projections for 1983-84, Based Upon Compound Rate of Increase in Average Fringe Benefit Costs (Equal Weight to Each Comparison Institution)

<u>Academic Rank</u>	<u>UC Average Cost of Fringe Benefits<sup>1</sup></u>	<u>Comparison Group Average Cost of Fringe Benefit Projections</u>	<u>Percentage Change Required in UC 1981-82 Average Cost of Fringe Benefits</u>
	1982-83	1983-84	
(1)	(2)	(3)	(4)
Professor	\$10,973	\$10,103	- 7.93%
Associate Professor	7,837	7,538	- 3.82
Assistant Professor	6,751	6,437	- 4.65
All Ranks Average	9,655 <sup>2</sup>	8,993 <sup>2</sup>	- 6.86
Less Adjustment for The Effect of a 18.52% Range Adjustment		-1,486	-15.39
Adjusted Parity Requirement		7,507	-22.25

1/ Based on \$1,632.20 plus 22.43% of average salary.

2/ Based on projected UC 1983-84 staffing including estimated separations and new appointments but excluding the effects of projected merit increases and promotions: Professor, 3,138; Associate Professor, 1,087; Assistant Professor, 744. Total staff: 4,969.

APPENDIX F

California State University Salaries and Cost of Fringe Benefits  
1983-84

TABLE 1

CALIFORNIA STATE UNIVERSITY

Actual-1982-83 and Projected 1983-84 Salaries for Comparison Group  
 Based Upon Compound Rate of Increase in Average Salaries  
 (Weighted by Total Faculty by Rank in Seventeen Reporting Comparison Institutions)

<u>Academic Rank</u>	<u>Comparison Group Average of Average Salaries</u>		<u>Compound Rate of Increase</u>	<u>Comparison Group Projected Salaries</u>
	1977-78	1982-83		1983-84
(1)	(2)	(3)	(4)	(5)
Professor	\$26,293	\$36,412	6.73%	\$38,862
Associate Professor	19,973	27,929	6.94	29,866
Assistant Professor	16,139	22,622	6.99	24,203
Instructor	12,725	17,657	6.77	18,852

TABLE 2

## CALIFORNIA STATE UNIVERSITY

Percentage Increase in CSU Estimated 1982-83 All Ranks Average Salary  
Required to Equal the Comparison Group Projections for 1982-83 and 1983-84  
Based on Five-Year Compound Rate of Increase in Comparison Group Salaries  
(Weighted by Total Faculty by Rank in Seventeen Reporting Comparison Institutions)

Academic Rank	CSU Average Salaries	Comparison Group Salaries		Percentage Increase Required in CSU Salaries	
		1982-83	1982-83 (Actual)	1983-84 (Projected)	1982-83
(1)	(2)	(3)	(4)	(5)	(6)
Professor	\$35,427	\$36,412	\$28,862	+2.78%	+9.70%
Associate Professor	27,322	27,929	29,866	+2.22	+9.31
Assistant Professor	22,255	22,622	24,203	+1.65	+8.75
Instructor	19,594	17,657	18,852	-9.89	-3.79
All Ranks Average	31,331 <sup>1</sup>	32,090 <sup>1</sup>	34,271 <sup>1</sup>	+2.42	+9.38
Less Turnover and Promotions			- 63		-0.20
Adjusted Total		31,953	34,033	+2.42	+9.18

1/ Based on CSU 1982-83 staffing: Professor, 6,553; Associate Professor, 2,646; Assistant Professor, 1,562; Instructor, 175. Total staff: 10,936.

TABLE 3

## CALIFORNIA STATE UNIVERSITY

Projected 1983-84 Cost of Fringe Benefits for Comparison Group  
Based Upon Compound Rate of Increase in Average Fringe Benefit Costs  
(Weighted by Total Faculty by Rank in Seventeen Reporting Comparison Institutions)

<u>Academic Rank</u>	<u>Comparison Group Average Cost of Fringe Benefits</u>		<u>Compound Rate of Increase</u>	<u>Comparison Group Projected Cost of Fringe Benefits</u>
	1977-78	1982-83		1983-84
(1)	(2)	(3)	(4)	(5)
Professor	\$4,317	\$7,597	11.97%	\$8,506
Associate Professor	3,486	6,072	11.74	6,785
Assistant Professor	2,809	4,863	11.60	5,427
Instructor	2,172	3,834	12.04	4,295

TABLE 4

## CALIFORNIA STATE UNIVERSITY

Percentage Change in CSU 1982-83 All Ranks Average Cost of Fringe Benefits Required to Equal the Comparison Group Projections, for 1983-84 Based Upon Compound Rate of Increase in Average Fringe Benefit Costs (Weighted by Total Faculty by Rank in all Comparison Institutions)

Academic Rank	CSU Average Cost of Fringe Benefits <sup>1</sup>	Comparison Group Average Cost of Fringe Benefit Projections	Percentage Change Required in CSU 1982-83 Average Cost of Fringe Benefits
	1982-83 <sup>2</sup>	1983-84	
(1)	(2)	(3)	(4)
Professor	\$10,150	\$8,506	-16.20%
Associate Professor	8,567	6,785	-20.80
Assistant Professor	7,212	5,427	-24.75
Instructor	6,236	4,295	-31.13
All Ranks Average	9,285 <sup>2</sup>	7,582 <sup>2</sup>	-18.34
Less 0.2% Turnover & Promotions, Automatic Salary/Benefit Adjust- ment, and an Adjustment for the Effect of a 9.18% Range Increase		- 522	-5.62
Adjusted Parity Requirements		\$7,060	-23.96%

1/ Based on \$3,538 plus 18.345 percent of average salary at each rank.

2/ Based on CSU 1982-83 staffing: Professor, 6,553; Associate Professor, 2,646; Assistant Professor, 1,562; Instructor, 175. Total staff: 10,936.

APPENDIX G

University of California Supplementary Information

## UNIVERSITY OF CALIFORNIA SYSTEMWIDE ADMINISTRATION

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Office of the Vice President  
Academic and Staff Personnel Relations

BERKELEY, CALIFORNIA 94720

March 30, 1983

Mr. Patrick M. Callan, Director  
California Postsecondary Education Commission  
1020 Twelfth Street  
Sacramento, California

Dear Director Callan:

On behalf of the University of California, I am pleased to submit three reports:

1. The Spring faculty salary comparison report (Tables A-1 through A-5);
2. The annual medical faculty salary report, and
3. An administrative salary comparison report.

The supplementary "B-Tables" will arrive shortly and be the subject of a separate letter.

Last spring I reported to you that my staff is experiencing increased difficulty in obtaining comparison data from the eight institutions. This year Cornell was unable to provide us with timely data. Their salary data was estimated according to a method agreed upon by our respective analysts.

Table A-5, submitted for the first time this year, omits Business/Management and Engineering faculty although these faculty are included in the salary comparisons. In future years, Business/Management and Engineering faculty will be included in Table A-5.

If you have questions concerning these reports, please contact Director Joseph B. Rodgers at (415) 642-8399, or Ms. JoAnn Rolley at (415) 642-8410, or our regular GPEC liaison Mr. Clive Condren.

Sincerely,

*Archie Klingartner*  
Archie Klingartner  
Vice President

enclosures

cc: President Saxon  
Vice President Frazer  
Assistant Vice President Blakely  
Assistant Vice President Stover  
Director Hershman  
Director Rodgers

Director Condren  
Special Assistant Paige  
Associate Director O'Brien  
Director of Finance Graves  
Legislative Analyst Hamm  
Principal Analyst Rolley

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THE UNIVERSITY OF CALIFORNIA

OFFICE OF THE VICE PRESIDENT -- ACADEMIC AND STAFF PERSONNEL RELATIONS

SPRING, 1983

TABLE A-1<sup>1</sup>

Projected Difference in Faculty Salaries: UC and Comparison Institutions

	<u>Professor</u>	<u>Associate Professor</u>	<u>Assistant Professor</u>	<u>Average</u> <sup>2</sup>
Comparison 8 Institutions <sup>3</sup>				
1982-83 Average Salaries	45,339	30,542	25,385	
1977-78 Average Salaries	30,386	20,646	16,365	
1983-84 Projected Salaries <sup>4</sup>	49,117	33,030	27,715	42,393
UC:				
1982-83 Average Salaries <sup>5</sup>	41,645	27,664	22,820	35,768
1983-84 Projected Staffing	3,138	1,087	744	
Percentage Increase Needed to adjust UC 1982-83 salaries to equal the projected 1983-84 average salaries	17.94	19.40	21.45	18.52

<sup>1</sup>Salary data excludes health sciences.

<sup>2</sup>Averages based on projected 1983-84 UC staffing pattern.

<sup>3</sup>Comparison institutions: Cornell University, Harvard University, University of Illinois, University of Michigan (Ann Arbor), Stanford University, University of Wisconsin (Madison), Yale University, and SUNY-Buffalo. Computed from confidential data received from these comparison institutions.

<sup>4</sup>Compound annual growth rate over the five-year period is used for the one year projection.

<sup>5</sup>1982-83 average salaries adjusted to include merits and promotions to be effective 7/1/83.

THE UNIVERSITY OF CALIFORNIA

OFFICE OF THE VICE PRESIDENT -- ACADEMIC AND STAFF PERSONNEL RELATIONS

SPRING, 1983

TABLE A-2<sup>1</sup>

Projected Difference in Fringe Benefits: UC and Comparison Institutions

	<u>Professor</u>	<u>Associate Professor</u>	<u>Assistant Professor</u>	<u>Average<sup>2</sup></u>
Comparison 8 Institutions:				
1982-83 Average Fringe Benefits <sup>1</sup>	9,145	6,721	5,719	
1977-78 Average Fringe Benefits <sup>1</sup>	5,556	3,788	3,165	
1983-84 Projected Fringe Benefits <sup>3</sup>	10,103	7,538	6,437	8,993
UC:				
1982-83 Average Fringe Benefits <sup>4</sup>	10,973	7,837	6,751	9,655
Percentage Adjustment needed to make UC fringe benefits equal to the 1983-84 projected average comparison fringe benefits	-7.93	-3.82	-4.65	-6.86
				Less (adjustment for the effect of 18.52 range adjustment):
				15.39
				Net adjustment needed to achieve parity:
				-22.25

<sup>1</sup>Computed from confidential data received from comparison institutions.

<sup>2</sup>Average based on projected 1983-84 UC staffing pattern.

<sup>3</sup>Compound annual growth rate over the five-year period for each rank is used for the one year projection.

<sup>4</sup>Equivalent to an average of \$1632.20 plus 22.43% of average salary.

THE UNIVERSITY OF CALIFORNIA  
 OFFICE OF THE VICE PRESIDENT -- ACADEMIC AND STAFF PERSONNEL RELATIONS  
 SPRING, 1983

TABLE A-3

Average UC Faculty Fringe Benefits  
 (Employer Contributions)

Retirement/FICA		20.97% of salary
Unemployment Insurance		.25% of salary
Workers' Compensation		.51% of salary
Health Insurance -- Annuitants		.70% of salary
Dental Insurance	\$ 226.00	
Health Insurance	1,336.00	
Life Insurance	16.20	
Non-Industrial Disability Insurance	54.00	
	TOTAL \$1,632.20	plus 22.43% of salary

SOURCE: Assistant Vice President--Budget, Analysis and Planning

THE UNIVERSITY OF CALIFORNIA

OFFICE OF THE VICE PRESIDENT—ACADEMIC AND STAFF PERSONNEL RELATIONS

SPRING, 1983

TABLE A-4

Average Comparison Institution Salaries

<u>Institution</u>	<u>Professor</u>	<u>Associate Professor</u>	<u>Assistant Professor</u>
	<u>1982-83</u>		
A	50,271 (2)	35,800 (1)	28,286 (1)
B	38,500 (8)	27,556 (8)	23,992 (7)
C	45,676 (4)	32,129 (2)	25,154 (5)
D	49,154 (3)	29,066 (6)	23,010 (8)
E	41,854 (6)	30,580 (3)	25,659 (3)
F	43,119 (5)	30,279 (5)	25,201 (4)
G	40,582 (7)	28,390 (7)	25,100 (6)
H	53,553 (1)	30,533 (4)	26,677 (2)
Average	45,339	30,542	25,385
	<u>1977-78</u>		
A	32,210 (3)	21,847 (1)	17,488 (1)
B	26,666 (8)	19,296 (8)	16,473 (4)
C	30,815 (4)	21,358 (2)	16,104 (5)
D	32,307 (2)	20,540 (5)	15,355 (8)
E	29,270 (6)	20,888 (4)	16,597 (3)
F	30,179 (5)	20,493 (6)	16,101 (6)
G	27,980 (7)	19,815 (7)	16,071 (7)
H	33,661 (1)	20,928 (3)	16,733 (1)
Average	30,386	20,646	16,365

Confidential data received from comparison institutions include 9- and 11-month full-time salaries for all schools and colleges except health sciences.

THE UNIVERSITY OF CALIFORNIA  
 OFFICE OF THE VICE PRESIDENT -- ACADEMIC AND STAFF PERSONNEL RELATIONS

SPRING, 1983

TABLE A-5

FTE: MEMBERS OF THE PROFESSOR SERIES  
 (EXCLUDING BUSINESS MANAGEMENT & ENGINEERING PROFESSORS)  
 GENERAL CAMPUSES AND HEALTH SCIENCES, COMBINED

<u>RANK</u>	<u>STEP</u>	<u>9-MONTH FTE</u>	<u>11-MONTH FTE</u>	<u>TOTAL FTE</u>
ASSISTANT PROFESSOR	I	50.83	40.00	90.83
	II	119.05	34.10	153.15
	III	438.73	236.10	674.83
	IV	125.44	52.12	177.56
	V	45.50	12.25	57.75
	VI	8.50	1.00	9.50
	Sub - T		788.05	375.57
ASSOCIATE PROFESSOR	I	202.67	45.54	248.21
	II	249.81	31.41	281.22
	III	434.09	53.36	487.45
	IV	177.30	11.95	189.25
	V	4.67	19.43	24.10
	Sub - T		1,068.54	161.69
PROFESSOR	I	299.81	48.78	348.59
	II	385.61	105.03	490.64
	III	382.00	63.93	445.93
	IV	754.41	13.38	767.79
	V	93.54	74.69	168.23
	VI	254.82	45.23	300.05
	VII	158.08	27.22	185.30
	A/S	209.71	26.00	235.71
	Sub - T		2,537.98	404.26
GRAND TOTAL		4,394.57	941.52	5,336.09

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Office of the Vice President--Academic  
and Staff Personnel Relations

BERKELEY, CALIFORNIA 94720

April 4, 1983

Mr. Kenneth O'Brien  
Associate Director for Academic Affairs  
California Postsecondary Education Commission  
1020 Twelfth Street  
Sacramento, California 95814

Dear Ken:

Vice President Kleingartner recently forwarded to your organization the biannual "A" tables on faculty salaries and fringe benefits. At that time, he said that you would be receiving the supplementary "B" tables in a new format under separate cover. I am now pleased to be able to present to you the "B" tables for 1982 incorporated into a new publication from my unit; the Annual Academic Personnel Statistical Report. This report is intended to provide for the first time a thorough collection of data on academic personnel. The "B" tables have been incorporated into the report.

You will notice that the format of the reports and, in some cases, the titles, have been changed. For ease of reference, you will find attached a matrix indicating the former title and number of each "B" table and the new title, number, and page number. The information itself, with one exception, remains the same as that you have customarily received. To meet needs of as many users as possible, one of our source reports has been adjusted this year to provide data in a slightly different format than in previous years. For this reason, you will note that promotion data for 1982 appears in consolidated form rather than for 9- and 11-month appointees.

It is my hope that you will find the wealth of information in this report useful. This is the first time the University has been able to provide data of this type, and we have made every attempt to anticipate various users' needs. In future versions of this report we hope to be able to provide additional data on academic personnel. Needs which cannot be met by reference to the Annual Academic Personnel Statistical Report and which would require additional data collection efforts should be addressed to the University through customary channels.

Please do not hesitate do contact my staff in the event questions arise concerning this report.

Sincerely,

  
Edward J. Blakely  
Assistant Vice President

Attachments

cc: Vice President Kleingartner  
Director Condron  
Director Hershman  
Director Rodgers  
Coordinator Crooks

OLD B TABLE NUMBER AND TITLE

NEW B TABLE NUMBER, TITLE AND  
PAGE NUMBER

- |     |                                                                                                                                                    |      |                                                                                                                                                                                                                                             |
|-----|----------------------------------------------------------------------------------------------------------------------------------------------------|------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| B-1 | Full-Time Academic Appointees in the Professorial Titles, by FTE, General Campuses                                                                 | I-C  | Full-Time Academic Appointees in the Professorial Titles, FTE by Rank, General Campuses. Page 18. Please note that 1982 data is attached separately.                                                                                        |
| B-2 | Headcount and Percent of Full-Time Academic Appointees in Selected Titles, Including Those with Tenure or Security of Employment, General Campuses | I-D  | Percent of Full-Time Faculty and Equivalent Ranks with Tenure or Security of Employment to Total Faculty and Equivalent Ranks, by Appointment Basis, by Rank, General Campuses. Page 19. Please note that 1982 data is attached separately. |
| B-3 | Origins of Recruitment of New Appointees in the Professorial Series, by Headcount, General Campuses                                                | II-B | Origins of Recruitment of New Academic Appointees in the Professorial Series, Headcount by Rank, General Campuses. Page 38.                                                                                                                 |
| B-4 | Destinations of Voluntary Separations within the Professorial Series, by Headcount, General Campuses                                               | II-G | Destination of Voluntary Separations within the Professorial Series, Headcount by Rank, General Campuses. Page 46.                                                                                                                          |
| B-5 | Promotions within the Professorial Series, by Headcount, General Campuses                                                                          | II-E | Promotions within the Professorial Series, Headcount by Rank, General Campuses. Page 43.                                                                                                                                                    |

UNIVERSITY OF CALIFORNIA

FULL-TIME ACADEMIC APPOINTEES IN THE PROFESSORIAL SERIES  
 Full-Time Equivalent (FTE) by Rank, General Campuses  
 As of October 31, 1981

Rank	FTE	Percent of Total FTE
Professor	2,756.72	60.0
Associate Professor	1,086.98	24.0
Assistant Professor	717.94	16.0
Instructor	---	---
<b>TOTAL</b>	<b>4,561.64</b>	<b>100.0</b>

SOURCE: Corporate Personnel System:

Academic Personnel Report 5, Full-Time/Part-Time Appointees in Selected Academic Titles, Headcount and FTE: General Campuses Followed by Health Sciences, As of October 31, 1981.

UNIVERSITY OF CALIFORNIA

PERCENT OF FULL-TIME FACULTY AND EQUIVALENT RANKS WITH TENURE OR SECURITY  
OF EMPLOYMENT TO TOTAL FACULTY AND EQUIVALENT RANKS  
By Appointment Basis, by Rank, General Campuses  
As of October 31, 1981

Appointment Basis and Rank	Headcount--Total Full-Time Faculty and Equivalent Ranks	Headcount--Full-Time Faculty and Equivalent Ranks with Tenure or Security of Employment	Percent--Full-Time Faculty and Equivalent Ranks with Tenure or Security of Employment to Total Population
<b>9-MONTH BASIS</b>			
Professor	2,930	2,832	97.0
Associate Professor	1,172	1,088	93.0
Assistant Professor	869	--	--
Instructor	64	7	--
Subtotal	5,035	3,920	78.0
Lecturer	977	109	11.0
Total	6,012	4,028	67.0
<b>11-MONTH BASIS</b>			
Professor	457	453	99.0
Associate Professor	166	164	99.0
Assistant Professor	157	--	--
Instructor	--	--	--
Subtotal	780	617	79.0

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sity of California and the California State University with those of seven other professional groups surveyed by the Bureau of Labor Statistics as part of its National Survey of Professional, Administrative, Technical, and Clerical Pay.

These tables use the rank of associate professor instead of an all-ranks average since increases in the number of faculty at the professor rank tend to distort the latter average when comparing faculty salaries with such groups as those displayed in Tables 13 and 14, for which middle ranks were also used. This single-rank average does not eliminate distortion completely,

TABLE 11 *Percentage Increases in the Consumer Price Index (CPI), the Implicit Price Deflator for Personal Consumption Expenditures (PCE), and Salaries for Federal and State Employees and University of California and California State University Faculty, 1963-64 to 1982-83*

<u>Year</u>	<u>CPI</u>	<u>PCE</u>	<u>Federal Civil Service</u>	<u>State Civil Service</u>	<u>University of California</u>	<u>California State University</u>
1963-64	1.3%	1.6%	5.6%	6.1%	5.0%	5.0%
1964-65	1.5	1.4	8.7	0.8	0.0	0.0
1965-66	2.3	2.3	0.0	4.4	7.0	10.0
1966-67	2.9	2.8	6.6	4.5	2.5	6.7
1967-68	3.6	3.2	4.6	5.1	5.0	5.0
1968-69	4.8	4.2	4.9	5.7	5.0	7.5
1969-70	5.9	4.9	9.1	5.6	5.0	5.0
1970-71	5.2	4.4	6.0	5.2	0.0	0.0
1971-72	3.6	4.1	6.0	0.0	0.0	0.0
1972-73	4.0	3.8	5.4	9.0	9.0	8.4
1973-74	9.0	8.3	5.2	11.7	5.4	7.5
1974-75	11.1	10.5	4.7	5.3	5.5	5.3
1975-76	7.1	6.1	5.4	6.7	7.2	7.2
1976-77	5.9	5.2	5.0	6.6	4.3	4.3
1977-78	6.7	6.0	7.0	7.5	5.0	5.0
1978-79	9.4	7.8	5.5	0.0	0.0	0.0
1979-80	13.3	10.8	7.0	14.5	14.5	14.5
1980-81	11.5	9.4	9.1	9.8*	9.8*	9.8*
1981-82	8.7	7.4	4.8	6.0	6.0	6.0
1982-83	(4.1)	(4.8)	4.0	0.0	0.0	0.0

\*Actually 9.75

Source: Previous Commission annual faculty salary reports.

TABLE 12 *Indexed Increases in the Consumer Price Index (CPI), the Implicit Price Deflator for Personal Consumption Expenditures (PCE), and Salaries for Federal and State Employees and University of California and California State University Faculty, 1963-64 to 1982-83 (Estimates are in Parentheses)*

<u>Year</u>	<u>CPI</u>	<u>PCE</u>	<u>Federal Civil Service</u>	<u>State Civil Service</u>	<u>University of California</u>	<u>California State University</u>
1962-63	100.0	100.0	100.0	100.0	100.0	100.0
1963-64	101.3	101.6	105.6	106.1	105.0	105.0
1964-65	102.8	103.0	114.8	106.9	105.0	105.0
1965-66	105.2	105.4	114.8	111.7	112.4	115.5
1966-67	108.2	108.3	122.4	116.7	115.2	123.2
1967-68	112.1	111.8	128.0	122.6	120.9	129.4
1968-69	117.3	116.5	134.3	129.6	127.0	139.1
1969-70	124.2	122.2	146.5	136.9	133.3	146.1
1970-71	130.7	127.6	155.3	144.0	133.3	146.1
1971-72	135.4	132.8	164.6	144.0	133.3	146.1
1972-73	140.8	137.9	173.5	157.0	145.3	158.3
1973-74	153.5	149.3	182.5	175.3	153.2	170.2
1974-75	170.5	165.0	191.1	184.6	161.6	179.2
1975-76	182.6	175.1	201.4	197.0	173.2	192.1
1976-77	193.2	184.2	211.5	210.0	180.7	200.4
1977-78	206.1	195.2	226.3	225.7	189.7	210.4
1978-79	225.5	210.4	238.7	225.7	189.7	210.4
1979-80	255.5	233.2	255.4	258.5	217.2	240.9
1980-81	284.9	255.1	278.7	283.7	238.4	264.4
1981-82	309.7	274.0	292.0	300.7	252.7	280.3
1982-83	(322.4)	(287.1)	303.7	300.7	252.7	280.3

Average Annual Increases:

1962-63/ 1982-83	6.0%	5.4%	5.7%	5.7%	4.7%	5.3%
1962-63/ 1972-73	3.5%	3.5%	5.7%	4.6%	3.8%	4.7%
1972-73/ 1982-83	8.6%	7.6%	5.8%	6.7%	5.7%	5.9%

Increases Relative to Price Indexes, 1973-74 to 1982-83:

CPI	--	--	-23.6%	-16.4%	-24.1%	-22.7%
PCE	--	--	-15.9%	-8.0%	-16.5%	-15.0%

Source: Previous Commission annual faculty salary reports.

PERCENT OF FULL-TIME FACULTY AND EQUIVALENT RANKS WITH TENURE OR SECURITY  
OF EMPLOYMENT TO TOTAL FACULTY AND EQUIVALENT RANKS (cont.)

Appointment Basis and Rank	Headcount--Total Full-Time Faculty and Equivalent Ranks	Headcount--Full-Time Faculty and Equivalent Ranks with Tenure or Security of Employment	Percent--Full-Time Faculty and Equivalent Ranks with Tenure or Security of Employment to Total Population
Lecturer	19	5	26.0
Total	799	622	77.8
<b>GRAND TOTAL</b>	<b>6,811</b>	<b>4,650</b>	<b>68.3</b>

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SOURCE: Corporate Personnel System:

Academic Personnel Report 5, Full-Time/Part-Time Appointees in Selected  
Academic Titles, Headcount and FTE: General Campuses Followed by Health Sciences,  
AS of October 31, 1981.

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TABLE 13 Salaries of University of California and California State University Associate Professors and of Seven Other Professional Groups, 1962-63 to 1982-83

Year**	UC Associate Professors	CSU Associate Professors	Accountants	Auditors	Attorneys	Job Analysts	Directors of Personnel	Chemists	Engineers
1962-63	\$10,441	\$ 9,425	\$ 7,668	\$ 7,572	\$12,300	\$ 7,716	\$12,060	\$11,334	\$11,634
1963-64	10,482	9,444	7,908	7,854	12,816	7,998	12,528	11,688	11,970
1964-65	10,994	10,032	8,124	8,094	13,644	8,280	12,936	12,024	12,324
1965-66	11,804	10,836	8,328	8,322	14,052	8,592	13,212	12,594	12,786
1966-67	12,072	11,460	8,879	8,902	14,419	8,888	13,857	13,225	13,474
1967-68	12,643	12,033	9,367	9,342	15,283	9,611	14,610	14,007	14,158
1968-69	13,365	12,732	10,029	10,007	19,163	9,838	15,332	14,720	15,000
1969-70	14,053	13,437	10,686	10,715	20,304	10,477	16,626	15,642	15,850
1970-71	14,150	13,526	11,383	11,435	22,178	11,207	17,872	16,482	16,757
1971-72	14,107	13,301	11,879	11,907	23,448	11,677	18,277	17,126	17,394
1972-73	16,439	14,567	12,472	12,464	24,693	12,036	19,869	17,726	18,322
1973-74	16,411	15,965	13,285	13,183	25,956	12,705	21,447	18,993	19,292
1974-75	17,365	16,844	14,458	14,961	28,159	13,746	22,486	20,952	20,935
1975-76	18,585	18,166	15,428	14,743	29,828	14,825	24,283	22,264	22,416
1976-77	19,490	19,101	16,545	15,806	30,973	15,294	26,472	23,944	23,846
1977-78	20,133	20,223	18,115	17,364	33,547	16,197	29,223	26,013	25,987
1978-79	20,620	20,361	19,468	18,398	37,807	17,720	31,133	28,144	28,231
1979-80	23,535	23,447	21,299	20,014	40,864	19,140	34,824	30,737	30,814
1980-81	25,466	25,785	23,545	22,108	44,853	20,548	39,042	33,732	34,039
1981-82	27,256	27,276	25,673	24,284	49,818	22,464	42,861	37,127	37,560
1982-83	27,664	27,331	(27,367)*	(25,814)*	(53,604)*	(23,767)*	(45,818)*	(39,503)*	(39,964)*
Average Annual Increase	5.0%	5.5%	6.0%	6.3%	7.6%	5.8%	6.9%	6.4%	6.4%

\*Estimate

\*\*Nine-month salaries for associate professors are for the fiscal year noted. Twelve-month salaries for all other professional groups are determined on March 1 of the fiscal year noted.

Sources: Associate Professors: Annual reports on faculty salaries, California Postsecondary Education Commission; Other Professionals: National Survey of Professional, Administrative, and Clerical Pay, U.S. Department of Labor, Bureau of Labor Statistics.

UNIVERSITY OF CALIFORNIA

ORIGINS OF RECRUITMENT OF NEW ACADEMIC APPOINTEES IN THE PROFESSORIAL SERIES  
Headcount by Rank, General Campuses  
1981-82

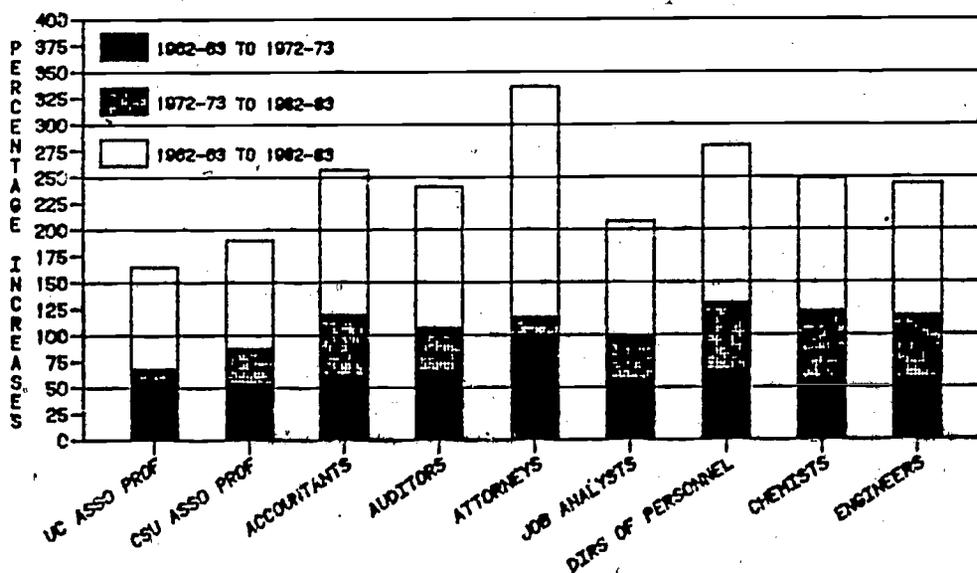
Prior Employer	Total	Professor	Associate Professor	Assistant Professor	Instructor
Department of Energy Laboratory	3	3	—	—	—
Government	13	2	2	9	—
Industry	14	1	2	11	—
Student	29	1	1	28	—
Unknown	1	—	—	1	—
Institution - Foreign	15	2	3	10	—
Institution - USA					
Amherst College	2	—	1	1	—
Boston University	1	—	—	1	—
California College of Arts and Crafts	1	—	—	1	—
California Institute of Technology	3	1	1	1	—
California State University - Dominguez Hills	1	—	—	1	—
California State University - Fresno	1	—	—	1	—
California State University - Fullerton	1	—	1	—	—
Carnegie-Mellon University	2	—	—	2	—
City University of New York - Queens College	1	—	—	1	—
Columbia University - Barnard College	2	—	1	1	—
Columbia University - Columbia College	2	—	—	2	—
Cornell University	2	—	—	2	—
Denison University	1	—	—	1	—
Duke University	1	—	—	1	—
Harvard University	7	1	—	6	—
Iowa State University	1	—	—	1	—
Johns Hopkins University	1	—	—	1	—
Massachusetts Institute of Technology	3	1	—	2	—
Michigan State University	2	—	—	2	—
Mount Holyoke College	1	—	1	—	—
New Mexico State University	1	—	—	1	—

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since the number of faculty at any given step of the rank can affect the average for the entire rank, but it is still preferable to an all-ranks average. The fact that some distortion continues to exist is indicated in Table 13 on page 21 and Table 15 on page 24, which show that the average salary for State University associate professors actually exceeds the average for University of California associate professors in 1981-82. Although the differences have never been large, this still marked the third occasion when the State University exceeded the University at that rank. At the other two ranks, the State University's faculty have always been paid a lower average salary, and it can be seen that the University restored its lead at the associate rank as well in 1982-83. The reason for the positional change in the three years noted is that far more State University associate professors occupy the top step of the associate range than do University of California associates, a point which will be discussed in Chapter Three.

Tables 13 and 14, as well as Figure 7, show that all seven of the comparison occupations received higher percentage increases between 1962-63 and 1982-83 than either University or State University associate professors, and in actuality, the differences are even greater than shown in the tables. Just taking the range adjustments (cost-of-living increases) granted since 1962-63 (Tables 11 and 12), the University has received increases of 152.7 percent and the State University 180.3 percent. Both of these figures are lower

FIGURE 7 Percentage Salary Increases for University of California and California State University Associate Professors and Seven Other Professional Groups, 1962-63 to 1972-73, 1972-73 to 1982-83, and 1962-63 to 1982-83



Source: Table 14.

ORIGINS OF RECRUITMENT OF NEW ACADEMIC APPOINTEES IN THE PROFESSORIAL SERIES (cont.)

Prior Employer	Total	Professor	Associate Professor	Assistant Professor	Instructor
Institution - USA (cont.)					
Ohio State University	1	--	1	--	--
Oklahoma State University	1	--	--	1	--
Princeton University	3	--	--	3	--
Purdue University	1	--	--	1	--
Rockefeller University	2	--	--	2	--
San Francisco State University	1	--	--	1	--
Stanford University	4	1	--	3	--
State University of New York - Binghamton	1	--	--	1	--
State University of New York - Buffalo	1	1	--	--	--
State University of New York - Purchase	1	--	1	--	--
Texas Woman's University	1	--	--	1	--
University of California	49	12	5	32	--
University of Chicago	2	1	--	1	--
University of Cincinnati	1	--	--	1	--
University of Colorado	2	--	1	1	--
University of Delaware	2	--	--	2	--
University of Denver	1	--	1	--	--
University of Florida	1	--	--	1	--
University of Hawaii	1	1	--	--	--
University of Illinois - Chicago Circle	1	--	--	1	--
University of Illinois - Urbana	1	--	--	1	--
University of Maryland	1	--	--	1	--
University of Massachusetts	1	--	1	--	--
University of Michigan	1	1	--	--	--
University of Minnesota	2	--	--	2	--
University of Pennsylvania	3	1	--	2	--
University of Rochester	1	--	--	1	--
University of San Francisco	1	1	--	--	--
University of Southern California	1	1	--	--	--
University of Washington	4	2	1	1	--
Utah State University	2	1	--	1	--

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than the cumulative increases for associate professors shown in Table 14. Similarly, between 1971-72 and 1982-83, all seven groups exceeded the University of California faculty's increases, and six out of seven the State University faculty's increases, most by wide margins. Table 15 shows a representative list of occupations compared both to federal "GS" classifications and to faculty salaries in both California four-year segments.

All of the faculty salaries listed in the previous tables are based on nine months of employment while those for the other occupations are for eleven. Adjusting the faculty averages for comparability by an increase of 22.2 percent (the difference between nine and eleven months) raises the University of California all-ranks average for 1982-83 to \$43,708 from its current level of \$35,768 and the State University average from \$31,331 to \$38,286. This raises faculty compensation to the range of journeymen professionals in most other fields, but still below those listed in the GS-13 and GS-15 ranges shown in Table 15. Further, given the weighting system for the determination of the all-ranks averages, it is clear that the only reason the averages are as high as they are is because of the preponderance of faculty at the full professor rank (approximately 63 percent of the faculty at the University and 60 percent at the State University). Since these faculty are comparable in age and experience to professionals at the highest levels shown in Table 9, the comparison reaffirms other data which show that faculty salaries are not as competitive with other groups as might be supposed. This appears to be particularly true in such disciplines as business administration, computer science, and engineering, as the Commission has observed in two recent reports (Engineering and Computer Science Education in California Public Higher Education, and Recruitment and Retention of Engineering Faculty: A Report to the Legislature in Response to Assembly Bill 2023).

## COMPETITION FROM BUSINESS AND INDUSTRY

For the past two years, the Commission has noted the serious shortage of highly-trained technical personnel in general and that of business/management, engineering, and computer science faculty in California colleges and universities in particular. Recently, a report by the Western Interstate Commission for Higher Education (WICHE) addressed the problem at length, noting that to a very large extent, the future economic well being of the United States depends more than ever on technological pre-eminence. The report opens with a comment from the Report of the Special Task Force on Long-Term Economic Policy to the House of Representatives:

A generation ago, a relatively short list of traditional industries--steel, autos, textiles, machinery, mining, construction, and agriculture--alone accounted for more than half of our nation's exports, a quarter of its output and a quarter of its jobs.

In the last generation, however, nine out of every ten jobs created have been in the services and information sectors. More than two-thirds of the rise in real GNP over that period was contributed by these new economic forces.

ORIGINS OF RECRUITMENT OF NEW ACADEMIC APPOINTEES IN THE PROFESSORIAL SERIES (cont.)

Prior Employer	Total	Professor	Associate Professor	Assistant Professor	Instructor
Institution - USA (cont.)					
Villanova University	1	--	--	1	--
Wayne State University	1	--	1	--	--
Yale University	4	1	--	3	--
York College	<u>1</u>	--	--	<u>1</u>	--
<b>TOTAL</b>	<b>219</b>	<b>37</b>	<b>25</b>	<b>157</b>	<b>--</b>

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SOURCE: Corporate Personnel System:

Academic Personnel Report 10, Origins of New Appointees within the Professorial Series  
(Headcount): General Campuses Only. As of July 1, 1981 - June 30, 1982.

Table IIB

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TABLE 17 *Full-Time Engineering Faculty Who Voluntarily Left Academia for Full-Time Employment in Industry, 1979-80 (244 Institutions Reporting)*

<u>Engineering Fields</u>	<u>Voluntary Departures</u>	
	<u>Number</u>	<u>As a Percent of Total Faculty</u>
Aeronautical and Astronautical	12	1.9%
Chemical	32	2.6
Civil	61	2.3
Computer	43	5.6
Electrical	89	2.7
Industrial	24	2.8
Mechanical	78	2.7
Other Engineering Fields	<u>58</u>	<u>2.4</u>
TOTAL	397	2.7%

Source: Western Interstate Commission for Higher Education, 1983a, p. 32.

TABLE 18 *Impacts on Engineering Colleges Resulting From Faculty Shortages (215 Institutions Reporting)*

<u>Impacts</u>	<u>Percent of Institutions that Reported Decreased Ability to Recruit or Retain Full-Time Engineering Faculty</u>
There has been a reduction in faculty research	34.8%
There has been an increase in teaching loads	80.3
There is greater reliance on graduate assistants or part-time faculty	65.7
We have been unable to offer courses in certain subjects	53.5
Other (includes reduced guidance of students, restraints in program development, and changes in the quality of instructional programs)	21.1
There has been no significant effect as yet	8.1

Source: Western Interstate Commission for Higher Education, 1983a, p. 33.

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DESTINATION OF VOLUNTARY SEPARATIONS WITHIN THE PROFESSORIAL SERIES  
Headcount by Rank, General Campuses  
1981-82

Destination	Total	Professor	Associate Professor	Assistant Professor	Instructor
Department of Energy Laboratory	1	1	—	—	—
Government	2	1	—	1	—
Industry	13	1	4	8	—
Not Employed	20	19	1	—	—
Self Employed	2	—	1	1	—
State of California	1	—	—	1	—
Student	1	1	—	—	—
Unknown	19	3	—	16	—
Institution - Foreign	3	1	2	—	—
Institution - USA					
Brooklyn Law School	1	1	—	—	—
Brown University	1	1	—	—	—
California Institute of Technology	2	2	—	—	—
City University of New York - Hunter College	1	—	1	—	—
Cornell University	1	1	—	—	—
Duke University	1	1	—	—	—
Georgetown University	1	1	—	—	—
Johns Hopkins University	1	1	—	—	—
Ohio State University	1	—	—	1	—
Pennsylvania State University	1	—	—	1	—
Purdue University	1	—	1	—	—
Rice University	1	1	—	—	—
San Francisco State University	1	1	—	—	—
Stanford University	2	2	—	—	—
State University of New York - Stony Brook	1	1	—	—	—
Swarthmore College	1	1	—	—	—
University of Alaska-Southeastern	1	—	—	1	—
University of Arizona	2	2	—	—	—

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- Modernization of instructional and research equipment (p. 43).
- Relief for engineering faculty from "non-instructional activities that detract from their primary commitments."
- Continuation of differential salaries at the University of California and implementation of differential schedules at the State University "to compete effectively with its comparable institutions" and extension of opportunities by industry "for engineering faculty to increase their income through summer employment, continuing education instruction, grants, and consulting" (p. 46).
- Implementation of "overlapping salary ranges with sufficient flexibility to accommodate changes in demand within engineering" (p. 47).

This latter recommendation noted that differential salaries should only be a temporary measure to improve the segments' competitive position and that the long-range solution would be to institute schedules with overlapping salary ranges in engineering. Presumably, the flexibility of such schedules could also accommodate future demand changes in other disciplines beyond engineering.

Few, if any, states depend more on highly trained technological manpower than does California. According to the Center for the Continuing Study of the California Economy in Palo Alto (1982), the State claimed 20.1 percent of all the high-technology jobs in the country in 1980, with "high technology" defined as all workers in the fields of computers, communication equipment, electronic components, instruments, and computer services. In addition, California employed a similar percentage of all the engineers in the country, yet according to WICHE (1983b), only 9.0 percent of the new baccalaureate engineers graduated from California institutions in 1980-81. The percentages for master's and doctorate degrees were higher (16.3 and 18.0 percent, respectively) but still below California's share of engineers. Of all engineering degrees, California's share was only 10.9 percent, and of all computer science degrees, its share was only 9.5 percent.

The recent Commission reports on engineering and computer science education and on recruitment and retention of engineering faculty detailed the problems in these fields far more exhaustively than can be presented here, and they make it clear that both California and the nation are experiencing shortages of trained technological manpower. In California, the problem appears to be especially severe where University and State University faculty are concerned, and the core of that problem appears to be an uncompetitive salary structure with respect both to private corporations and other universities. The immediate solution appears to be differential salary scales for disciplines where the demand is greatest, but the long-term solution most probably lies in increasing overall salary flexibility in all disciplines. That possibility is discussed in Chapter Three which follows.

**DESTINATION OF VOLUNTARY SEPARATIONS WITHIN THE PROFESSORIAL SERIES (cont.)**

Destination	Total	Professor	Associate Professor	Assistant Professor	Instructor
<b>Institution - USA (cont.)</b>					
University of California	6	4	1	1	--
University of Connecticut	1	--	--	1	--
University of Denver	1	1	--	--	--
University of Florida	1	--	1	--	--
University of Illinois Urbana	1	1	--	--	--
University of Michigan	1	--	--	1	--
University of Minnesota	1	1	--	--	--
University of Mississippi	1	1	--	--	--
University of Montana	1	--	--	1	--
University of Oregon	1	--	--	1	--
University of Pennsylvania	1	--	1	--	--
University of Santa Clara	1	--	--	1	--
University of Southern California	1	--	--	1	--
University of Utah	2	--	--	2	--
University of Wisconsin	2	1	--	1	--
<b>TOTAL</b>	<b>105</b>	<b>52</b>	<b>13</b>	<b>40</b>	<b>--</b>

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**SOURCE:** Corporate Personnel System:

Academic Personnel Report 11, Destination of Voluntary Separations within the Professorial Series (Headcount): General Campuses Only. As of July 1, 1981 - June 30, 1982.

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TABLE 20 Results of the Final Election for the Selection of an Exclusive Bargaining Agent for California State University Faculty

Candidate	Votes Received	Percentage of Vote
Initial Count:		
United Professors of California	6,491	49.0%
Congress of Faculty Associations	6,479	48.9
Challenged Ballots	271	2.1
TOTAL	13,241	100.0%
Final Count:		
United Professors of California	6,541	49.9%
Congress of Faculty Associations	6,580	50.1
TOTAL	13,121	100.0%

Currently, the bargaining process is underway between OEA and the Trustees, and it is presumed that a memorandum of understanding will be forthcoming within the next few months. Regardless of the outcome of these negotiations, the Commission will follow its usual practice of presenting the results of the comparison methodology for the current and budget years. These results are shown in Table 21 below.

Table 21 shows that the University's and the State University's all-ranks average salaries for the current year are 9.4 and 2.4 percent behind the average for their respective comparison groups in the current year. These figures are almost exactly as predicted in the Commission's salary report last year (9.8 percent for the University and 2.3 percent for the State

TABLE 21 University of California and California State University Average Salaries and Parity Requirements, 1982-83 and 1983-84

Segment	UC and CSU Salaries in 1982-83	Comparison Institutions' Salaries		Comparison Institutions' Salaries Lead UC and CSU by:	
		(Actual) 1982-83	(Projected) 1983-84	1982-83	1983-84
University of California	\$35,768	\$39,114	\$42,393	9.4%	18.5%
California State University	\$31,331	\$32,090	\$34,209	2.4%	9.2%

Source: UC and CSU surveys and previous Commission annual faculty salary reports. (See Appendices E, F, G, and H, pp. 10-144.)

UNIVERSITY OF CALIFORNIA  
 PROMOTIONS WITHIN THE PROFESSORIAL SERIES  
 Headcount by Rank, General Campuses  
 1981-82

Rank	Total
Associate Professor	137
Professor	<u>129</u>
TOTAL	266

-134-

SOURCE: Corporate Personnel System:

Academic Personnel Report 4, Appointments to, Promotions to, and Separations from Selected Academic Titles: Total Campuses Followed by Health Sciences, by Sex, Headcount, and FTE. As of July 1, 1981 - June 30, 1982.

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Table IIE

APPENDIX H.

California State University Supplemental Information

# THE CALIFORNIA STATE UNIVERSITY



BAKERSFIELD · CHICO · DOMINGUEZ HILLS · FRESNO · FULLERTON · HAYWARD · HUMBOLDT  
POMONA · SACRAMENTO · SAN BERNARDINO · SAN DIEGO · SAN FRANCISCO · SAN JOSE

LONG BEACH · LOS ANGELES · NORTHRIDGE  
SAN LUIS OBISPO · SONOMA · STANISLAUS

OFFICE OF THE CHANCELLOR  
(213) 590-5584

March 22, 1983

Mr. William Storey  
California Postsecondary Education  
Commission  
1020 Twelfth Street  
Sacramento, CA 95814

Dear Bill:

This letter is to transmit to the Commission the data required for the Commission's report on faculty and administrative salaries in the CSU and in comparison institutions identified by the Commission.

Please note that CSU fringe benefit data are presented in two different ways, first, as reported to the National Center for Educational Statistics and, secondly, as estimated using the PERS contribution rates predicated for the 1983-84 budget year.

If you have any questions regarding these data, please call me at 8-635-5584.

Sincerely,

Thierry F. Koenig  
Personnel Analyst  
Faculty and Staff Affairs

TFK/nf

Enclosure

cc: Dr. Smart  
Dr. Tyndall  
Mr. Lahey

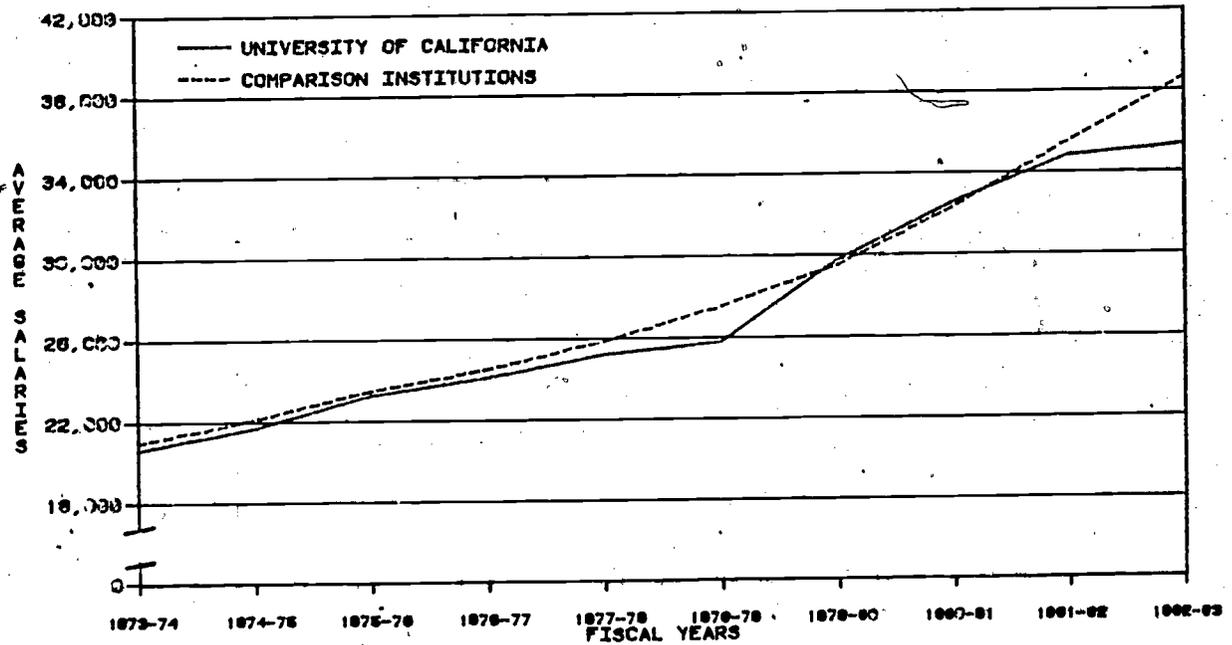
1982-83 ADMINISTRATIVE SALARIES

POSITION	COMPARISON INSTITUTIONS		CSU		CSU LAG*
	NO. REPORTED	AVERAGE SALARY	NO. REPORTED	AVERAGE SALARY	
Chief Executive Officer Multi-campus	3	78,127	1	80,000	(2.4%)
Chief Executive Officer Single campus	15	66,657	19	69,613	(4.4)
Chief Academic Officer	15	62,256	19	53,879	15.5
Chief Business Officer	11	57,211	18	47,795	19.7
Dean of Agriculture	4	58,981	5	48,072	22.7
Dean of Arts & Sciences	15	54,647	16	47,933	14.0
Dean of Business	14	56,796	16	47,933	18.5
Dean of Education	15	53,855	15	47,220	14.1
Dean of Engineering	7	61,620	9	48,072	28.2
Dean of Graduate Studies	11	53,986	7	47,148	14.5
Dean of Undergraduate Studies	1	N/A	6	48,072	N/A
Director of the Library	14	49,138	18	47,587	3.3
Director of Institutional Research	11	40,325	13	44,429	(10.2)
Director of Athletics	9	45,884	12	41,338	11.0
Director of Personnel	15	38,929	17	35,243	10.5
Director of Physical Plant	15	44,089	16	38,711	13.9
Director of Computer Services	13	44,639	17	45,335	(1.6)
Chief Budgeting Officer	11	46,620	12	36,676	27.1
Director of Campus Security	14	31,906	19	38,289	(20.0)
Director of Financial Aid	15	32,849	15	36,845	12.2

\*Values in parentheses show CSU ahead of comparison institution data.

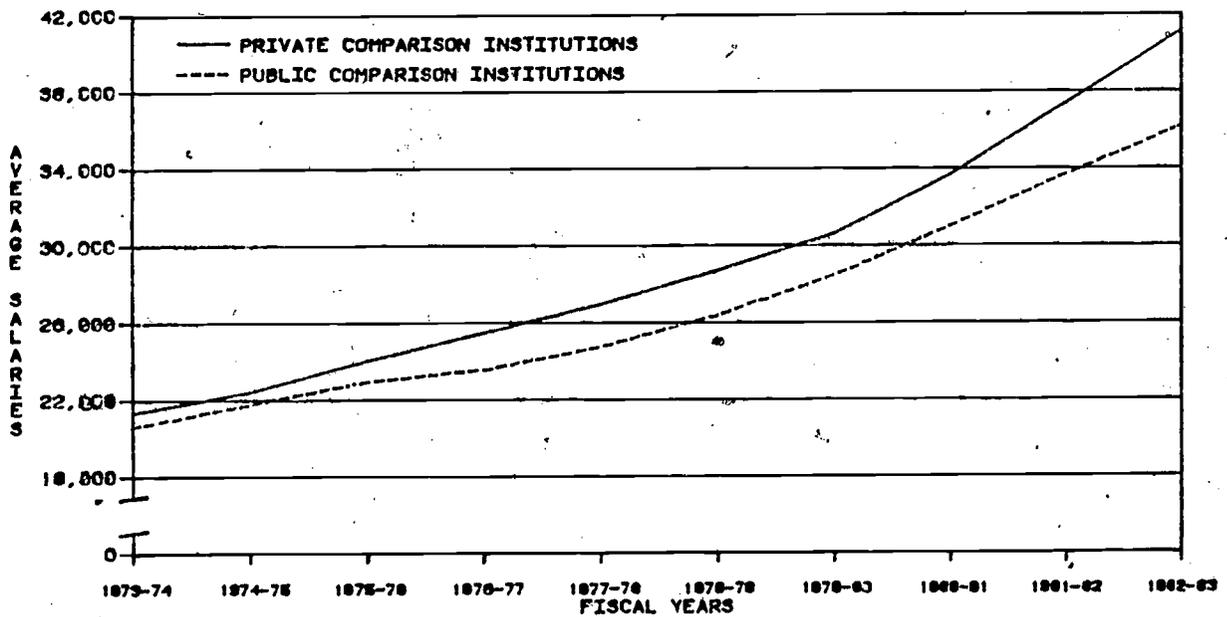
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FIGURE 10 All-Ranks Average Salaries at the University of California and Its Eight Comparison Institutions, 1973-74 to 1982-83



Source: Table 23.

FIGURE 11 Comparison Between the Average Salaries Paid at the University of California's Four Public and Four Private Comparison Institutions, 1973-74 to 1982-83



Source: Table 23.

OFFICE OF THE CHANCELLOR  
THE CALIFORNIA STATE UNIVERSITY

FALL 1982 SALARIES AND BENEFITS OF CSU FULL-TIME FACULTY

	<u>HEADCOUNT</u>	<u>AVERAGE SALARY</u>	<u>AVERAGE BENEFITS</u>	<u>ADJUSTED BENEFITS**</u>
Professors	6,553	\$35,427	\$8,611	\$10,150
Associate Professors	2,646	27,322	7,380	8,567
Assistant Professors	1,562	22,255	6,245	7,212
Instructors	<u>175</u>	<u>19,594</u>	<u>5,385</u>	<u>6,236</u>
TOTAL:	10,936	\$31,331	\$7,924*	\$ 9,285

\*Based on \$3,538 plus 14% of average salary.

\*\*Benefits calculated with 18.345% contribution rate to PERS.

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Over the past five years, the University's comparison group has increased its salaries by an average of about 8.5 percent, while the State University's group has increased its salaries by about 6.9 percent. The numbers in the left-hand column of Table 25 show what could happen given increases of either 8 or 7 percent for the University's group and either 7 or 6 percent for the State University's group. These numbers are lower than experience would dictate, but it is anticipated that the reduced level of inflation will probably curb increases in other states just as it has in California.

Taking some of the specific examples in Table 25, if the University of California's comparison institutions increase their average salaries by 7 percent in 1983-84, and the Governor and the Legislature increase University salaries by 9 percent for the same year, it is probable that the parity deficiency reported by the Commission for the 1984-85 fiscal year will be approximately -14.9 percent. Taking a State University example, if its comparison group increases their average salaries by 7 percent in 1983-84, and the Governor and the Legislature approve only a 3 percent increase, the parity deficiency for that segment next year will grow from its current level of -9.2 percent to -13.8 percent. In both cases, the California increases of between 3 and 19 percent have all been adjusted upward to reflect recent experience with merit increases and promotions. Thus the column which shows an increase of 7 percent should actually be 8.49 percent for the University and 7.19 percent for the State University. These adjustments of 1.49 and 0.19 percent have been applied to all of the potential range adjustments for the California institutions.

Two final comments may be helpful in addressing potential questions about Table 25. First, the reader might well ask, if the State University has a 9.2 percent deficiency for 1983-84, and receives an 11 percent increase for that year, how can the parity deficiency remain at between 4.3 and 5.6 percent. Superficially, it would appear that if the Governor and the Legislature appropriate sufficient funds to cover more than the entire deficiency,

**TABLE 25 Potential Parity Deficiencies for the University of California and the California State University in 1983-84, Compared to Projected 1984-85 Comparison Institution Salaries**

Comparison Institution Increase, 1982-83 to 1983-84	Parity Deficiencies for UC and CSU in 1984-85 Given Specified Percentage Increases to UC and CSU, 1983-84									
	3%	5%	7%	9%	11%	13%	15%	17%	19%	
<b>UC Group Increases by:</b>										
8%	-22.9	-20.6	-18.4	-16.3	-14.2	-12.2	-10.3	-8.4	-6.6	
7%	-21.5	-19.2	-17.0	-14.9	-12.8	-10.9	-9.0	-7.1	-5.4	
<b>CSU Group Increases by:</b>										
7%	-13.8	-11.7	-9.6	-7.6	-5.6	-3.8	-2.0	-0.2	+1.5	
6%	-12.4	-10.3	-8.2	-6.2	-4.3	-2.5	-0.7	+1.0	+2.7	

OFFICE OF THE CHANCELLOR  
THE CALIFORNIA STATE UNIVERSITY

FALL 1982 COMPARISON INSTITUTION DATA

	<u>NUMBER</u>	<u>EXPENDITURES</u>		<u>AVERAGE</u>	
		<u>SALARIES</u>	<u>BENEFITS</u>	<u>SALARIES</u>	<u>BENEFITS</u>
Professors	6,176	224,883,370	46,918,518	36,412	7,597
Associate Professors	5,070	141,599,766	30,783,706	27,929	6,072
Assistant Professors	4,315	97,614,607	20,985,915	21,663	4,863
Instructors	1,074	18,963,186	4,117,295	17,657	3,834

All institutions reporting.

OFFICE OF THE CHANCELLOR  
THE CALIFORNIA STATE UNIVERSITY

CSU ACADEMIC YEAR FACULTY  
WITH TENURE AND WITH DOCTORATE  
FALL 1982

	<u>HEADCOUNT</u>	<u>NO. W/TENURE</u>		<u>NO. W/DOCTORATE</u>	
Professor	6,631	6,346	95.7%	5,488	82.8%
Associate Professor	2,757	1,973	71.6%	1,859	67.4%
Assistant Professor	1,612	189	11.7%	731	45.3%
Instructor	<u>177</u>	<u>—</u>	<u>—</u>	<u>3</u>	<u>1.7%</u>
TOTAL:	11,177	8,508	76.1%	8,081	72.3%

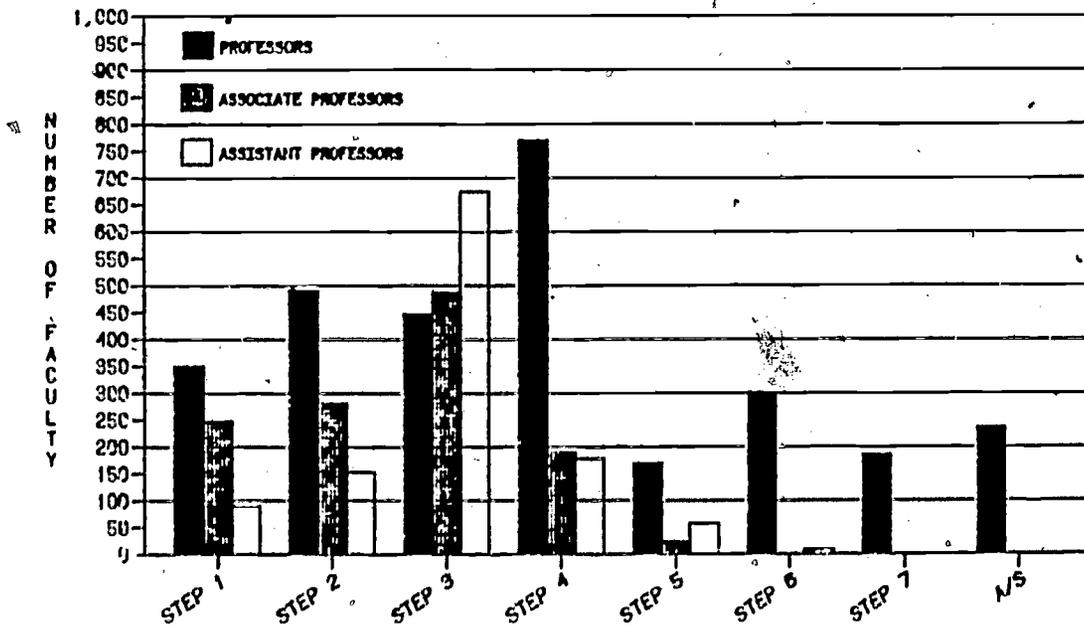
CSU  
Comparison Institutions Data

Fall 1977 Data \*

Title	Number	<u>Expenditures</u>		Salary	<u>Average</u>	
		Salaries	Fringe Benefits		Fringe Benefits	
Professor	3,462	\$143,613,379	\$23,581,826	\$26,293		\$4,317
Associate Professor	4,843	96,770,247	16,889,875	19,973		3,486
Assistant Professor	4,316	79,453,298	13,836,660	16,129		2,809
	1,100	16,898,453	2,864,643	19,710		3,170

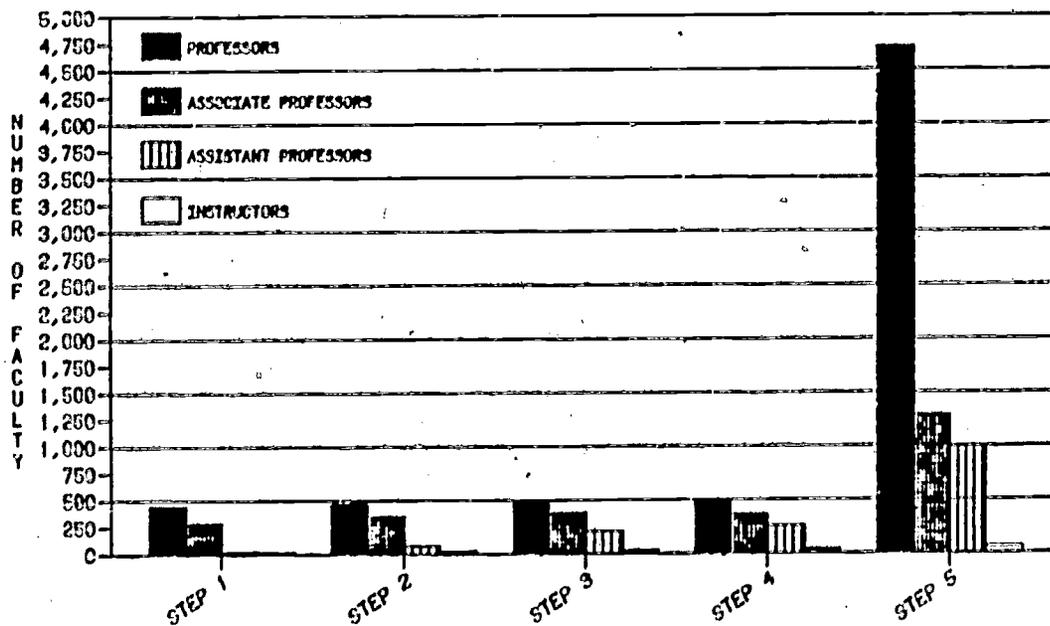
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**FIGURE 12** University of California Faculty Distribution by Rank and Step (by Number of Full-Time-Equivalents), 1982-83



Source: Table 27.

**FIGURE 13** California State University Faculty Distribution by Rank and Step (by Number of Headcount Faculty), 1982-83



Source: Table 28.

APPENDIX I

University of California Medical Faculty Salaries  
1982-83

UNIVERSITY OF CALIFORNIA

1982-83 MEDICAL SCHOOL FACULTY SALARY SURVEY

Medicine  
Department

February 1983  
Date

<u>Code</u>	<u>Rank</u>	<u>Professor</u>	<u>Rank</u>	<u>Associate Professor</u>	<u>Rank</u>	<u>Assistant Professor</u>
B	1	\$108,100	5	\$ 66,900	2	\$ 56,600
D	2	95,814	1	77,799	1	70,572
F	3	91,867	2	76,121	3	55,342
UC	4	86,545	5	64,206	4	55,100
E	5	84,241	3	68,992	5	52,714
G	6	84,000	4	67,000	6	52,000
A	7	81,762	8	62,233	8	49,257
C	8	75,058	7	62,519	7	49,334
Average Income		\$ 88,423		\$ 68,221		\$ 55,115
Standard Deviation		\$ 10,122		\$ 5,885		\$ 6,807

UNIVERSITY OF CALIFORNIA

1982-83 MEDICAL SCHOOL FACULTY SALARY SURVEY

Pediatrics  
Department

February 1983  
Date

<u>Code</u>	<u>Rank</u>	<u>Professor</u>	<u>Rank</u>	<u>Associate Professor</u>	<u>Rank</u>	<u>Assistant Professor</u>
B	1	\$ 93,500	1	\$ 69,600	1	\$ 57,000
F	2	86,246	3	63,821	5	49,820
UC	3	81,751	4	61,460	6	49,418
E	4	78,831	7	58,342	8	41,456
D	5	78,510	5	60,815	2	51,183
A	6	77,607	8	57,171	7	47,342
G	7	77,000	2	64,000	3	51,000
C	8	69,301	6	59,166	4	50,425
Average Income		\$ 80,343		\$ 61,797		\$ 49,706
Standard Deviation		\$ 7,133		\$ 3,985		\$ 4,331

UNIVERSITY OF CALIFORNIA

1982-83 MEDICAL SCHOOL FACULTY SALARY SURVEY

Surgery  
Department

February 1983  
Date

<u>Code</u>	<u>Rank</u>	<u>Professor</u>	<u>Rank</u>	<u>Associate Professor</u>	<u>Rank</u>	<u>Assistant Professor</u>
D	1	\$146,285	2	\$108,863	3	\$ 83,837
G	2	134,000	3	100,000	6	74,000
B	3	133,300	6	88,600	5	76,800
UC	4	132,744	5	94,681	4	77,447
F	5	130,323	4	99,243	1	90,489
C	6	127,077	1	130,182	2	89,060
E	7	109,303	7	85,575	7	71,657
A	8	93,914	8	58,321	8	38,434
<b>Average Income</b>		<b>\$125,868</b>		<b>\$ 95,683</b>		<b>\$ 75,216</b>
<b>Standard Deviation</b>		<b>\$ 16,485</b>		<b>\$ 20,509</b>		<b>\$ 16,361</b>

Office of the President  
March, 1979

UNIVERSITY OF CALIFORNIA  
REPORT ON MEDICAL SCHOOL CLINICAL COMPENSATION PLANS AND  
CLINICAL FACULTY SALARIES

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UNIVERSITY OF CALIFORNIA

Report on Medical School Clinical Compensation Plans and  
Clinical Faculty Salaries

This report responds to Item 322 of the 1978 Conference Committee's Supplemental Report on the Budget Bill which recommends that:

UC shall report to CPEC annually on (1) its full-time clinical faculty salaries and those of its comparison institutions (including a description of the type of compensation plans utilized by each UC school and each comparison institution) and (2) the number of compensation plan exceptions in effect at each UC school.

This report discusses the issues in the above supplemental language by providing:

1. a description of the type of compensation plans utilized by each UC school and each comparison institution (Section I);
2. a discussion of the University's full-time clinical faculty salaries and those of its comparison institutions (Section II); and
3. a report on compensation plan exceptions (Section III).

I. Clinical Compensation Plans

General

Clinical compensation plans are compensation arrangements created by medical schools to provide competitive income for physicians and other faculty with direct patient-care responsibility as well as to further the academic goals of the medical schools. As stated by the Association of American Medical Colleges (AAMC) in their December, 1977 report on An In-Depth Study of Seven Medical Practice Plans,

"The most commonly stated plan objective is the attraction and retention of quality faculty through the provision of acceptable compensation levels not achievable through other salary sources. An additional objec-

tive quite prevalent among the . . . plans is the use of plan revenue to help achieve departmental and schoolwide program enrichment with stable, flexible funds."

The AAMC reviewed the medical practice plans of the 112 M.D. degree-granting fully accredited medical schools in the U.S. and concluded that the plans could be characterized by the degree of central control exercised over the details of the plans' operations, along a "centralized/decentralized" axis. A summary of the three basic types of clinical compensation plans was developed by the AAMC as follows:

Type A - a highly centralized compensation approach, characterized by two basic and interrelated features. First, all patient-care fees are collected and deposited to central accounts, usually with few references to the origin of the bill beyond the requirements of accurate book-keeping and physician liability and accountability for services rendered. Second, physicians are placed on either individually set or departmentally fixed incomes based on a predetermined compensation schedule which recognizes such features as academic rank, previous or current clinical services, and additional merit or service features.

Type B - an intermediate arrangement in which some common policy framework exists for patient-care fee collection and disbursement. In this approach a general policy is set for all medical school faculty with patient-care responsibilities, requiring that they follow specified billing and collection procedures through a central office or departmental offices. Compensation is determined by a formula which recognizes the productivity of patient-care activities as well as academic factors such as rank and scholarship. Such compensation arrangements usually set broad ranges for total compensation, recognizing the aforementioned features, with set maxima either by department, school, or specialty.

Type C - the least disciplined arrangement, which allows wide variation by individual department or among specialties as to how patient-care fees are collected and subsequently distributed. The most extreme example permits the faculty member to bill and retain virtually all of the billable practice income with some requirement to reimburse the institution for overhead cost (office space, hospital fees, etc.). Table 2. (p. 11), provides a further description of this medical practice plan typology, indicating by directional arrows the kind of movement that typically occurs in the organization of a practice plan--from no plan to decentralized, to intermediate, and to centralized.

University of California Uniform Medical School Clinical Compensation Plan

The University of California uniform Medical School Clinical Compensation Plan; approved by The Regents in November, 1977 for implementation in 1978, falls within the Type B category. It provides a uniform framework for patient-care billing and sets uniform compensation maxima based on academic rank and step. The Plan provides sufficient flexibility so that specific parameters for the various medical specialties or disciplines within the same department may be established as long as the maximum compensation arrangements established by the Plan are not exceeded.

The key features of this Plan are:

1. The eleven-month regular faculty salary scale approved by The Regents for each faculty rank forms the base salary for all medical school ladder rank faculty. There is no differential in the base salary between medical school faculty and general campus faculty.
2. Arrangements for compensation in addition to the base salary are limited to three types.
  - a. Negotiated Income - This is an amount of additional compensation



determined by a department or school that a clinician can earn via contribution of income from patient-care (and certain other specified income sources) to a group or pooled income system. There is an absolute ceiling on this amount, as discussed below.

- b. **Income Limitation Arrangements** - These are arrangements whereby the faculty member may retain, subject to assessments, income directly from patient-care activities. Assessments are progressive and reach a nearly confiscatory level at approximately three times the faculty member's base salary.
  - c. **Combination Plans** - These are arrangements whereby faculty members share a predetermined portion of a pooled amount and are allowed to retain individual earnings beyond that amount up to a maximum ceiling.
3. Membership in this Plan is mandatory for all clinical faculty with patient-care responsibility who hold an appointment at 50% or more time, and all income from professional services performed by these faculty is subject to the terms of the Plan.
  4. Accounting standards and monitoring practices are specified in the guidelines for implementation of this Plan. Along with the Plan and guidelines, accounting procedures have been developed which are consistent with the Plan objectives.

#### Comparison Data Survey

One of the principal features of the uniform Medical School Clinical Compensation Plan is a provision for periodic review of the established compensation maxima. In Section IV (Compensation), which sets forth the formulae for deriving maximum compensation, provision IV.9.6 states:

Compensation levels and assessment rates will be reviewed periodically by the Vice President--Academic and Staff Personnel Relations in light of comparison data from University of California Medical Schools as

well as from other comparison institutions. On the basis of the Vice President's report, the President, after consultation with the Academic Senate, may recommend adjustments in the compensation levels in this Plan to The Regents.

A set of comparison institutions was selected and a statistical method adopted that would yield the requisite data to satisfy this provision of the Medical School Clinical Compensation Plan as well as the requirement for an annual report to the California Postsecondary Education Commission.

#### Selection of Comparison Institutions

Eight institutions that represent comparable programs were selected from public and private sectors. Five of the institutions are public in character and three are private. The institutions selected represent a diverse spectrum and sufficient variation of settings and practice plan arrangements to provide valid comparisons. Appendix B (see pp. 19-20) provides a brief description of the various compensation plans used by the comparison institutions.

<u>Comparison Institutions</u>		
<u>Name</u>	<u>Public or Private</u>	<u>Compensation Plan</u>
*Stanford	Private	yes
State Univ. of New York- Upstate Medical School	Public	yes
Univ. of Chicago	Private	yes
*Univ. of Illinois	Public	no
*Univ. of Michigan	Public	yes
Univ. of Texas, Houston	Public	yes
*Univ. of Wisconsin	Public	yes
*Yale University	Private	yes

The comparison institutions included five that are also in the general campus survey (noted by asterisks). In addition, the University of Texas, Houston, and the State University of New York-Upstate Medical School were selected because they are part of larger multicampus systems with more than one medical school.

## II. Compensation Survey

### A. Data Collection

Compensation plan information was obtained from the eight comparison medical schools by means of a questionnaire (see Appendix A, pp. 16-18). The questionnaire was followed by phone calls, and a special meeting which took place during the October, 1978 meeting of the AAMC in New Orleans. At that special meeting of the comparison schools, there was an extended discussion of the practical aspects of medical salary and practice plan management, and arrangements were made to meet and/or consult each year and to regularly exchange data. Further, Mr. William L. Storey, Higher Education specialist with the California Postsecondary Education Commission, was consulted about this comparison study, and has agreed to meet to discuss in detail the methodology and conclusions.

### B. Selection of Departments and Disciplines

Comparison of medical schools' salaries raises problems which do not occur in comparing salaries of general campuses. On general university campuses, overall salary averages for a given professorial rank are a good reflection of what the individual faculty member is actually paid at that rank. In medical schools, however, there is great variation in individual salaries, and an overall salary average for a given medical school is statistically unreliable. For that reason, it was not possible to use overall salary averages from the comparison medical schools in

this study. Statistics from the annual AAMC report of clinical salaries were similarly of little utility since they tend to aggregate salaries from a variety of clinicians, both full and part-time, without sufficient disaggregation in the sample to make the data useful for this survey. The method that was devised to avoid the above problems was to select a stratified sample of three clinical specialties which are commonly found in schools of medicine and which typically represent a range of compensation within medical schools. The three clinical specialties selected are (a) Pediatrics, typically at a lower level of compensation; (b) Medicine, typically at a mid-level compensation; and (c) Surgery, typically at a higher compensation. These three clinical specialties are taken as representative of the medical schools at large and are used as the base for developing the data for this study. The salary data received from the thirteen medical schools (five from UC and eight from comparison institutions) are treated as follows: a single weighted-average compensation is constructed from the five UC medical school responses for each of the three specialties. That weighted average is displayed in a ranked table (ranked by professorial compensation) together with the responses from the eight comparison medical schools (see Tables 3, 4, and 5, pp. 12, 13, and 14).

#### C. The Method

For each of the specialties a simple average of the resulting table of nine weighted averages is then calculated, as well as the standard deviation, and entered at the bottom of each of Table 3, 4 and 5. The single average for the five medical schools is examined in each of the three ranked tables to determine where that average falls within the sample of nine weighted averages; i.e., whether or not that particular average deviates significantly from the general average. The

tables reflect the following:

- a. where the UC average falls within one standard deviation;
- b. where the UC average is with respect to the average for the group as a whole; and
- c. whether the UC average is within one standard deviation of the group average.

If the UC average is, in fact, within one standard deviation from the group average, then the UC average can be considered to be not statistically different from that of the group as a whole.

D. Results of the Clinical Salary Comparison and University of California

Standing in Each Category

Tables 3, 4, and 5 (see pp. 12, 13, and 14) indicate that the University's average compensation is consistent with the overall average for each specialty, as displayed below:

AVERAGE FULL PROFESSOR COMPENSATION - ABSTRACTED FROM TABLES 3, 4, 5.					
Medicine		Pediatrics		Surgery	
High	67,000	High	67,000	High	88,000
Average	60,440	UC	59,000	Average	79,440
UC	59,000	Average	57,560	UC	75,000
Low	54,000	Low	51,000	Low	67,000

From the table above, the following conclusions are drawn:

1. In Medicine (Table 3, p.12), average professorial compensation ranges from a high of \$67,000 per year to a low of \$54,000, with an average of \$60,440. The UC average for Medicine is \$59,000, slightly below the group average.
2. In Pediatrics (Table 4, p.13), average professorial compensation ranges

from a high of \$67,000 per year to a low of \$51,000, with an average of \$57,560. The UC average for Pediatrics is \$59,000, slightly (but not significantly) higher than the group average (within one standard deviation from the average).

3. In Surgery (Table 5, p. 15), average professional compensation ranges from a high of \$88,000 per year to a low of \$67,000, with an average of \$79,440. The UC average for Surgery is \$75,000, somewhat (but not significantly) below the group average.

Within each of the three specialties, the spread of salaries is not great, supporting the assumption that the selected medical schools are comparable. In each of the tables for the three specialties, the University's average compensation is close to the overall average, as is displayed in the table above. For these reasons, the compensation being paid in University of California medical schools can be considered to be representative, competitive and appropriate. Therefore, there appears to be no need at this time to alter the current compensation formulas.

### III. Exceptions to the Plan

Requests for exceptions, including individual exceptions, to the Medical School Clinical Compensation Plan may originate with the individual department, and, subject to approval by the Dean, are then forwarded to the campus Chancellor for the next approval step. The Chancellor then consults with the campus Academic Senate. If the Chancellor approves the exception, the request is recommended to the President for final approval. All approved exceptions to compensation limits must be reported to the Board of Regents.

As part of the implementation of the Plan it was agreed that certain limited existing arrangements would be permitted to continue. Other than these exceptions, no individual exceptions have been made. Irvine has been permitted to delay implementation of the Plan until January, 1980 in order to accommodate the campus conversion from a gross to a net clinical fee compensation plan.

## TABLE 1

COMPARISON INSTITUTIONS - MEDICAL SCHOOLS

Stanford University

State University of New York -  
Upstate Medical School

University of Chicago

University of Illinois

University of Michigan

University of Texas, Houston

University of Wisconsin

Yale University

S

7  
TABLE 2

MEDICAL PRACTICE PLAN TYPOLOGY

PLAN FEATURES	TYPE A Centralized ← ← ← TYPE B Intermediate ← ← ← TYPE C Decentralized		
	TYPE A Centralized	TYPE B Intermediate	TYPE C Decentralized
<u>Organization &amp; Participation</u>			
• Structure	A discretely recognized entity, either within or external to the medical school, having its own personnel, budget and procedural guidelines.	A common framework for clinical practice activity exists within which departmental or specialty groups function.	A variety of clinical practice arrangements for academic departments or medical specialties are permitted.
• Policy Determination	All practicing clinicians are included and directly and/or indirectly through their representatives meet with institutional officials to focus only on clinical practice - related issues.	Most clinical disciplines are participants in deliberations about clinical practice - related issues identified by institutional officials.	Executive faculty and the dean consult as necessary during the routine conduct of general meetings.
<u>Operations</u>			
• Administration	A full-time manager supervises the day-to-day plan operation with responsibility for all administrative services supporting the practice of medicine.	A member of the dean's regular administrative staff is the locus for coordination of many plan support services.	Either the department head or his designate directs administrative support services.
• Fee Handling	All clinical practice related revenue flows through the Plan Office which renders bills, collects fees and disburses income.	Uniform procedures for billing, collection and disbursement of fees are implemented.	Options for billing, collection or disbursement of fees are available to academic departments or medical specialties.
Private Medical Schools	12	10	3
Public Medical Schools	21	16	5

The above table is taken from An In-Depth Study of Seven Medical Practice Plans--Association of American Medical Colleges, December, 1977, p. 14.

The arrows show the kind of movement that typically occurs in the organization of a practice plan, from no plan, to decentralized, to intermediate, and to centralized.

APPENDIX A

UNIVERSITY OF CALIFORNIAAnnual Medical School Faculty Salary SurveyInstructions

The form will be provided for three departments only, General Medicine, Pediatrics, and Surgery. Three categories of compensation are identified with definitions. These are:

1. Base or Guaranteed Component - the base salary derived from University of California salary scales for that rank and guaranteed by the University exclusive of fringe benefits;
2. University of California Uniform Medical School Clinical Compensation, or expected compensation, not including the base salary described in 1, above, which is received through or as a result of the operation of, and the individual faculty member's participation in, the University of California Uniform Medical School Clinical Compensation Plan, and
3. Grand Total Compensation - the sum of the monies associated with items 1 and 2 above, divided by the head count for that line of the questionnaire.

In each case, one calculates the average for each box in the questionnaire by totalling all the monies involved in that category and then by dividing by the head count for that line of the questionnaire. Reasonable estimates of the year's earnings should be reported

or last year's actual earnings with any estimated increment. Please specify the method used in the "comments" section at the bottom of each questionnaire.

For the departments specified above, include only 12 month salaries for full-time paid faculty utilizing September 1 budget figures whenever possible. Include the full salary of faculty on sabbatical leave. Exclude those faculty at affiliated institutions, full salary for vacant positions, house staff and fellows in all ranks and part-time and volunteer faculty.

Attached is a list of the subspecialties to be included within three departments (General Medicine, Pediatrics and Surgery). If you have any questions, please phone R.D. Menhagett at (415):642-1454.

SURGERY

GENERAL SURGERY  
THORACIC  
CARDIO-VASCULAR  
E.N.T.  
UROLOGY  
NEUROSURGERY  
ORTHOPEDECS  
PLASTIC

MEDICINE

GENERAL  
CARDIOLOGY  
ENDOCRINOLOGY  
GASTROENTEROLOGY  
HEMATOLOGY  
HEPATOLOGY  
INFECTIOUS DISEASE  
NEPHROLOGY  
RHEUMATOLOGY  
PULMONARY

PEDIATRICS

ALL, INCLUDING  
PEDIATRIC  
CARDIOLOGY

CAMPUS \_\_\_\_\_

DATE THE REPORT WAS PREPARED \_\_\_\_\_

UNIVERSITY OF CALIFORNIA  
MEDICAL SCHOOL FACULTY SALARY SURVEY

DEPARTMENT \_\_\_\_\_

EFFECTIVE DATE \_\_\_\_\_

RANK		COMPENSATION		
Rank	Headcount	Base Salary or Guaranteed Component (Average)*	Uniform Compensation Plan Component (Average)*	Grand Total Compensation (Average)*
Professor				
Associate Professor				
Assistant Professor				
Instructor				

\*Average salary for each of the three compensation columns should be computed by dividing the total dollars by the headcount for each rank.

Comments or qualifications: \_\_\_\_\_

APPENDIX B

Brief Descriptions of the Medical Compensation Plans at the Eight Comparison Medical Schools

1) Stanford University

Stanford has a new practice plan that is currently being written and is not yet available.

2) State University of New York - Upstate Medical School

Overall management of the practice plan is vested in a governing board consisting essentially of the President, the Dean of the Medical School and the medical school department chairmen. The departments have considerable autonomy, and keep the accounts and do the billing. The State is paid for overhead costs, and the Medical School levies a surcharge on gross practice plan income for its own use. (A Type "B" or Type "C" Plan)

3) University of Chicago

General guidelines are issued to the departments by the Dean's office. Within those guidelines, individual practice plans are negotiated on a departmental basis. The medical school is experimenting with a surcharge, and with various kinds of non-salary incentives. Currently, however, the individual departments have a good deal of autonomy. (A Type "C" Plan)

4. University of Illinois

No formal practice plan exists. The medical school provides centralized billing facilities. Beyond that, what happens is the result of individual negotiation between the individual faculty member, his department and the Dean's office.

5. University of Michigan

The plan is centralized, with a formal central business office run by a full-time Director who reports directly to the Dean of the Medical School. The central business office establishes policy, does billing and handles

disbursements. The individual departments have comparatively little autonomy. The plan was phased in gradually over the five-year period from 1973 to 1978. (A Type "A" Plan)

6) University of Texas at Houston

The plan is controlled by a Board of Directors consisting of the President, V.P. for Business Affairs and the department chairmen. The plan provides for central billing and disbursement of funds; however, individual faculty salaries are set through individual negotiation between a faculty member and his department chairman. The departments have considerable autonomy. (A Type "B" or Type "C" Plan)

7) University of Wisconsin

Although a written plan exists, its net effect is to vest authority in the individual departments. Each department creates in effect its own individual practice plan and does pretty much as it pleases, subject to certain maximum salary constraints written into the central plan. (A Type "B" or Type "C" Plan)

8) Yale University

The practice plan consists of a series of brief salary guidelines published by the Dean which set up a framework for salary payment and establish the permissible salary ranges within which an individual faculty member may be paid. Each department develops its own practice plan, in negotiation with the Dean's office. Individual salaries are recommended by the department chairman and approved by the Dean. (A Type "C" Plan)

APPENDIX J

Administration Positions Surveyed by the  
College and University Personnel Association (CUPA)

APPENDIX J

Administration Positions Surveyed by the  
College and University Personnel Association (CUPA)

1. Chief Executive Officer, System
2. Chief Executive Officer, Single Institution
3. Executive Vice President
4. Chief Academic Officer
5. Chief Business Officer
6. Chief Student Affairs Officer
7. Chief Development Officer
8. Chief Public Relations Officer
9. Chief Planning Officer
10. Director, Personnel/Human Resources
11. Chief Health Professions Officer
12. Chief Budgeting Officer
13. Director, Legal Services
14. Registrar
15. Director, Church Relations
16. Director, Learning Resources Center
17. Director, Library Services
18. Director, Computer Services
19. Director, Educational Media Services
20. Director, Institutional Research
21. Director, Special and Deferred Gifts
22. Administrator, Grants and Contracts
23. Director, Affirmative Action/Equal Employment
24. Director, Employee Training
25. Comptroller
26. Director, Internal Audit
27. Bursar
28. Director, Food Services
29. Director, Physical Plant
30. Director, Purchasing
31. Director, Bookstore
32. Director, Campus Security
33. Director, Information Systems
34. Director, News Bureau
35. Director, Auxiliary Services
36. Director, Admissions
37. Director, Foreign Students
38. Director, International Studies Education
39. Director, Student Financial Aid
40. Director, Student Placement
41. Director, Student Counseling
42. Director, Student Union
43. Director, Student Health Services
44. Director, Student Housing

45. Director, Athletics
46. Director, Campus Recreation/Intramurals
47. Director, Alumni Affairs
48. Director, Information Office
49. Director, Community Services
50. Administrator, Hospital Medical Center
51. Chief Planning and Budget Officer
52. Chief Development and Public Relations Officer
53. Director, Personnel and Affirmative Action
54. Director, Admissions and Financial Aid
55. Director, Housing and Food Services
56. Director, Development and Alumni Affairs
57. Dean, Architecture
58. Dean, Agriculture
59. Dean, Arts and Letters
60. Dean, Arts and Sciences
61. Dean, Business
62. Dean, Communications
63. Dean, Continuing Education
64. Dean, Dentistry
65. Dean, Education
66. Dean, Engineering
67. Dean, Experimental Programs
68. Dean, Extension
69. Dean, Fine Arts
70. Dean, Graduate Programs
71. Dean, Health Related Professions
72. Dean, Home Economics
73. Dean, Humanities
74. Dean, Instruction
75. Dean, Law
76. Dean, Library and Information Sciences
77. Dean, Mathematics
78. Dean, Medicine
79. Dean, Music
80. Dean, Nursing
81. Dean, Occupation Studies/Vocational Education/Technology
82. Dean, Pharmacy
83. Dean, Public Health
84. Dean, Sciences
85. Dean, Social Sciences
86. Dean, Social Work
87. Dean, Special Programs
88. Dean, Undergraduate Programs
89. Dean, Veterinary Medicine

## APPENDIX K

### College and University Personnel Association Position Descriptions Used in the Present Report

1. **CHIEF EXECUTIVE OFFICER OF A SYSTEM/DISTRICT/MULTI-CAMPUS OPERATION (PRESIDENT/CHANCELLOR):** The principal administrative official responsible for the direction of all operations of an institution or a system of higher education, who reports to a governing board.
2. **CHIEF EXECUTIVE OFFICER OF A SINGLE INSTITUTION (PRESIDENT/CHANCELLOR):** The principal administrative official responsible for the direction of all operations of a campus or an institution of higher education. Reports to a President/Chancellor of a university-wide system or multicollge district.
3. **CHIEF ACADEMIC OFFICER:** The senior administrative official responsible for the direction of the academic program of the institution. Functions typically include teaching, research, extension, admissions, registrar and library activities. Reports to the Chief Executive Officer.
4. **CHIEF BUSINESS OFFICER:** The senior administrative official responsible for the direction of business and financial affairs. Functions supervised typically include purchasing, physical plant management, property management, auxiliary enterprises, personnel services, investments, accounting and related matters.
5. **DIRECTOR, PERSONNEL/HUMAN RESOURCES:** Administers institutional personnel policies and practices for staff and/or faculty. Functions typically include personnel records, benefits, staff employment, wage and salary administration and, where applicable, labor relations.
6. **CHIEF BUDGET OFFICER:** The senior administrative official with the responsibility for current budgetary operations. May also include responsibility for long-range planning unless there is a separate planning officer.
7. **DIRECTOR, LIBRARY SERVICES:** Directs the activities of all institutional libraries. Functions typically include selection and direction of professional staff, acquisitions, technical services, audio-visual services and special collections.
8. **DIRECTOR, COMPUTER CENTER:** Directs the institutions major administrative computing activities. Functions typically include computer programming, systems studies and computer operations.
9. **DIRECTOR, INSTITUTIONAL RESEARCH:** The administrative staff official responsible for the conduct of research and studies on the institution itself. Functions performed or supervised typically include data collection, analysis, reporting, and related staff work in support of decision making.

10. **DIRECTOR, PHYSICAL PLANT:** The senior administrative official responsible for the construction, rehabilitation and maintenance of physical facilities. Functions typically include supervision of new construction and remodeling, grounds and building maintenance, power plant operation and parking.
11. **DIRECTOR, CAMPUS SECURITY:** Manages campus police and patrol units; directs campus vehicle traffic and parking; organizes security programs and training as needed.
12. **DIRECTOR, INFORMATION SYSTEMS:** The senior official who directs the development, implementation and maintenance of institutional management information systems. Functions typically include responsibility for developing systems requirements, systems analysis, programming, applications, and coordination with user areas. May also include responsibility for direction of the administrative computer operations.
13. **DIRECTOR, STUDENT FINANCIAL AID:** Directs the administration of all forms of student aid. Functions typically include assistance in the application for loans or scholarships; administration of private, state or federal loan programs; awarding of scholarships and fellowships; and maintenance of appropriate records.
14. **DIRECTOR, ATHLETICS:** Directs intramural and intercollegiate athletic programs. Functions typically include scheduling and contracting for athletic events, employment and direction of athletic coaches, publicity, ticket sales, and equipment and facilities maintenance.
15. **DEAN or Equivalent Administrative Title (e.g. directors of academic divisions in community colleges):** Serves as the principal administrator of the instructional division indicated (i.e., Architecture, Agriculture, Nursing, etc.).

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# CALIFORNIA POSTSECONDARY EDUCATION COMMISSION

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separately from the salary data and will include a sufficiently detailed explanation of the issues so as to avoid misunderstanding or inappropriate use of the figures.

The second major change is the elimination of the "Cost of Living Adjustment for Salaries." For the past three years, an adjustment has been made in the projected salaries of the comparison institutions to account for changes in the rate of inflation. This adjustment has been widely misunderstood. It is not an escalator clause of the kind frequently found in collective bargaining agreements; it is an index only of changes in the rate of inflation and not a measure of inflation itself.

The other changes are essentially technical in nature. To date, all ranks average salary and fringe benefit projections have been made on the basis of prior year (for the preliminary report) and current year (for the final report) segmental staffing patterns. Since these elements of compensation are implemented in the budget year, it is desirable to establish a staffing pattern for that year. This will be done by the University of California for the 1978-79 report and by the California State University and Colleges beginning in 1979-80.

The final change will affect only the computation of fringe benefits for the California State University and Colleges. That system previously based its fringe benefit projections on the assumption that no salary increase would be granted. Because an increase in salary automatically increases applicable fringe benefits, a degree of distortion occurs. The University of California uses a system whereby a salary increase is computed first, the automatic increases in fringe benefits resulting from that increase accounted for, and the fringe benefits calculated after this accounting. The Commission believes the latter approach to be more reasonable and has therefore adopted it for both segments.

## METHODOLOGY

The procedures to be employed for the 1978-79 budget year and in subsequent years are as follows:

### A. NUMBER AND TIMING OF REPORTS

Two reports will be prepared each year. The first report, based on preliminary data, will be submitted to the Department of Finance in November. The final report, based on the most current data, will be submitted to the Legislative Budget Committee in April. In order to meet these submission dates, the University of California and the California State University and Colleges will forward data on comparison institutions and segmental faculty salaries to Commission

staff by mid-October for the preliminary report and by late February for the final report.

### B. PRINCIPLE OF PARITY

The report will indicate what adjustments would be needed for the forthcoming year for salaries and costs of fringe benefits for University of California and California State University and Colleges' faculty to achieve and maintain rank-by-rank parity with such salaries and costs of fringe benefits provided faculty in appropriate comparison institutions. A separate list of comparison institutions will be used by each of the California segments of higher education. The report will separate calculations and displays of data related to percentage increases required for parity in salaries from those related to fringe benefit costs.

### C. COMPARISON INSTITUTIONS<sup>1</sup>

Comparison institutions for the University of California will be:

Cornell University  
Harvard University  
Stanford University  
State University of New York at Buffalo  
University of Illinois  
University of Michigan at Ann Arbor  
University of Wisconsin at Madison  
Yale University

Comparison institutions for the California State University and Colleges will be:

#### East

State University of New York at Albany  
State University of New York College at Buffalo  
Syracuse University  
Virginia Polytechnic Institute and State University

#### West

University of Southern California  
University of Hawaii  
University of Nevada  
University of Oregon  
Portland State University

- 
1. If any institution is omitted for any reason, a replacement will be selected based upon the established criteria by Commission staff in mutual consultation with the segments, the Department of Finance, and the Legislative Analyst. The Attachment indicates the criteria for selection of the comparison institutions.

Other

University of Colorado  
Illinois State University  
Northern Illinois University  
Southern Illinois University  
Indiana State University  
Iowa State University  
Wayne State University  
Western Michigan University  
Bowling Green State University  
Miami University (Ohio)  
University of Wisconsin at Milwaukee

D. FACULTY TO BE INCLUDED AND EXCLUDED

The faculties to be included in the comparisons are those with full-time appointments at the ranks of professor, associate professor, assistant professor, and instructor, employed on nine and eleven month (prorated) appointments, (both regular and irregular ranks as appropriate), with the exception of faculties in the health sciences, summer sessions, extension programs and laboratory schools, provided that these faculties are covered by salary scales or schedules other than that of the regular faculty. At the rank of instructor, full-time equivalent faculty are used because of the preponderance of part-time appointments at this rank.

The faculty members to be included are those assigned to instruction (regardless of the assignments for research or other university purposes), department chairmen (if not on an administrative salary schedule), and faculty on salaried sabbatical leave.

E. COMPUTATION OF AVERAGE SALARIES AND COST OF FRINGE BENEFITS

For each academic rank within the California State University and Colleges' comparison groups, the total actual salary dollars for the combined group is divided by the number of faculty within the rank to derive average salaries by rank for their comparison institutions as a whole. Average costs of fringe benefits will be computed in a similar manner.

For the University of California's comparison groups, the average salary by rank is obtained for each comparison institution. The single average salary (for each rank) for the comparison group is then calculated by adding the average salaries at the eight comparison institutions and dividing by eight, thereby giving equal weight to each institution regardless of the number of faculty. The same procedure should be used to compute the cost of fringe benefits.

#### F. FIVE-YEAR COMPOUND RATE OF SALARY AND FRINGE BENEFIT GROWTH

For the preliminary report, a five-year compound rate of change in salaries and fringe benefits at each rank at the comparison institutions will be computed on the basis of actual salary and fringe benefit data of the preceding year and of the prior five years.

In obtaining compound rates of change at the comparison institutions, each segment will compute the average salary and fringe benefit costs by rank for their respective comparison institution groups as specified in Section E above. Each will then calculate the annual compound growth rate changes in average salaries and fringe benefit costs for each rank (over the five-year period) at their respective comparison institutions. These rates of change will then be used to project average salaries and costs of fringe benefits for that rank forward for two years to the budget year.

The same procedure will be used in producing the final report, except that the base year for the comparison institutions will be moved forward one year, permitting the use of a one-year projection rather than the two-year projection necessary in the preliminary report. The California segments will use actual current salary and fringe benefit data as reported by the comparison institutions rather than budgeted figures.

#### G. ALL-RANKS AVERAGE SALARY AND FRINGE BENEFIT COSTS

Average all-ranks average salaries and fringe benefit costs projected for the budget year will be calculated for each segment, using the average salaries and fringe benefits by rank projected for the budget year for the comparison groups and the staffing pattern in the appropriate California segment. The California State University and Colleges will use the current year staffing pattern while the University of California will use a staffing pattern projected for the budget year. These all-ranks average salary and fringe benefit amounts for the budget year constitute the salaries and fringe benefits to be provided to the corresponding California segment for that segment to achieve parity, rank-by-rank, with its comparison group. The average all-ranks salaries and fringe benefits thus projected to the budget year for each California segment will then be compared with the current all-ranks average salaries and fringe benefits for that segment to determine the percentage increase required by the segment to achieve parity. For the 1978-79 report, the California State University and Colleges will modify the percentage difference (to 1/10th of a percentage point) to account for merit increases, promotions, and faculty turnover. This adjustment will not be necessary for the University of California since the projection of the staffing pattern into the budget year will account for these adjustments automatically. In subsequent years, the California State University and Colleges will use the same procedure as the University of California.

#### H. SUPPLEMENTARY INFORMATION

The Commission will prepare supplementary tables containing five years of trend data, with the data for the most recent year supplied by the segments.

1. Number of full-time faculty by rank;
2. Number and percent of new and continuing full-time faculty with the doctorate by rank;
3. Number and percent of full-time faculty with tenure or security of appointment by rank;
4. Separations of full-time faculty with tenure or security of appointment by rank;
5. Destination of faculty who resign, by rank (indicating the name of the institution for those faculty remaining in higher education);
6. Sources of recruitment by rank;
7. Faculty promotional patterns.

## ATTACHMENT

### CRITERIA FOR SELECTION OF COMPARISON INSTITUTIONS

The following criteria will be used to select comparison institutions for the University of California:

1. Each institution should be an eminent major university offering a broad spectrum of undergraduate, graduate (Masters and Ph.D.), and professional instruction, and with a faculty responsible for research as well as teaching.
2. Each institution should be one with which the University is in significant and continuing competition in the recruitment and retention of faculty.
3. Each institution should be one from which it is possible to collect salary data on a timely, voluntary and regular basis. (Not all institutions are willing to provide their salary data, especially in the detail required for comparison purposes.)
4. The comparison group should be composed of both public and private institutions.

In selecting these institutions, stability over time in the comparison institutions group is important to enable the development of faculty salary market perspective, time serious analysis, and the contacts necessary for gathering required data.

The following criteria will be used for selection of comparison institutions for the California State University and Colleges. The institutions selected according to these criteria are those which have approximately the same functions with regard to undergraduate and graduate instruction, and with which the California State University and Colleges compete for faculty.

#### 1. General Comparability of Institutions

The expectations of faculty at the comparison institutions should be relatively similar to those prevailing at the California State University and Colleges. Consequently, the comparison institutions should be large institutions that offer both undergraduate and graduate instruction. Excluded from consideration under this criterion were:

- a. Institutions with less than 300 faculty members;

- b. The 20 institutions that awarded the greatest number of doctoral degrees during the ten-year period, 1959-60 through 1968-69. (These 20 institutions awarded nearly half of all doctoral degrees awarded in the U.S. during this period);
  - c. Community Colleges and colleges without graduate programs;
  - d. Institutions staffed with religious faculty.
2. Comparability of States' Ability to Support Higher Education

The basis of financial support available to the comparison institutions should be relatively similar to that of California. Excluded from consideration were:

- a. Institutions in states where the per capita income in 1970 was more than ten percent below the U.S. average. (California's per capita income was approximately 14 percent above the U.S. average.) The criterion was applied to both public and private institutions;
  - b. Institutions in New York City and Washington, D.C., because of the high cost of living and the much higher than average incomes in these cities.
3. Competition for Faculty

Institutions on the comparison list preferably should be institutions from which California State University and Colleges' faculty are recruited or vice versa.

4. Similarity of Functions

The comparison group should include institutions that are among the largest institutions with graduate programs but which do not grant, or grant very few, doctoral degrees.<sup>1</sup> (Nine CSUC campuses are among the 20 largest such institutions in the country.)

5. Fringe Benefits

The comparison institutions should provide fringe benefits, including a retirement program, that vests in the faculty member within five years. This criterion was applied by generally excluding from consideration institutions with nonvesting retirement programs.

- 
1. Category IIA in the AAUP report.

6. University of California Comparison Institutions

The comparison group of institutions developed for the California State University and Colleges should not include institutions used by the University of California in determining its faculty compensation.

7. Acceptance as Comparison Institution

The comparison institutions preferably should be institutions that have been accepted previously for the purpose of comparing faculty salaries in the California State University and Colleges.

8. Senior or Tenured Faculty

The comparison group of institutions should have a faculty mix ratio in their upper two ranks that is similar to the ratio of faculty in the upper two ranks of the California State University and Colleges.

APPENDIX D

House Resolution No. 250, 1964 First Extraordinary Session, Relative to  
the Economic Welfare of the Faculties of the California  
Public Institutions of Higher Education

WHEREAS, The Master Plan for Public Higher Education strongly recommended that every effort be made to ensure that the institutions of higher education in California maintain or improve their position in the intense competition for the highest quality of faculty members; and

WHEREAS, The Coordinating Council for Higher Education in its annual report to the Governor and the Legislature regarding level of support for the California State Colleges and the University of California recommended that funds should be provided to permit at least an additional 5 percent increase in academic salaries for the California State Colleges and the University of California; and

WHEREAS, The Trustees of the California State Colleges in their annual report to the Legislature declared that the California State Colleges are falling far behind in the face of this competition and that by 1964-65 faculty salaries will be lagging 14 to 18 percent behind those of comparable institutions; and

WHEREAS, Greatly increasing enrollments in institutions of higher education in California during the next decade will cause a demand for qualified faculty members which cannot possibly be met unless such institutions have a recruitment climate which will compare favorably with other colleges, universities, business institutions, industry, and other levels of government; and

WHEREAS, California has achieved an enviable momentum in business and industrial development, a momentum now threatened by lagging faculty salaries so that failure to maintain adequate salary scales for faculty members in California institutions of higher education would be false economy; and

WHEREAS, There have been widespread reports from the State College and University campuses that higher salaries elsewhere are attracting some of the best faculty members from the California institutions of higher education, and if such academic emigration gains momentum because of inadequate salaries, the effect will disrupt the educational processes and result in slower economic growth, followed by lower tax revenues; and

WHEREAS, The Legislature has a continuing interest in the difficult and pressing problems faced by the California institutions of higher education in attracting and maintaining outstanding faculty members in a period of stiff competition and rapid growth; and

WHEREAS, The Legislature has a continuing interest in the difficult and pressing problems faced by the California institutions of higher education in attracting and maintaining outstanding faculty members in a period of stiff competition and rapid growth; and

WHEREAS, The State's investment in superior teaching talent has been reflected in California's phenomenal economic growth and has shown California taxpayers to be the wisest of public investors, but unless the superiority in faculty quality is maintained, the contributions by the California institutions of higher education to the continued economic and cultural development of California may be seriously threatened; now, therefore, be it

RESOLVED BY THE ASSEMBLY OF THE STATE OF CALIFORNIA, That the Assembly Committee on Rules is directed to request the Joint Legislative Budget Committee to study the subject of salaries and the general economic welfare, including fringe benefits, of faculty members of the California institutions of higher education, and ways and means of improving such salaries and benefits in order that such California institutions of higher education may be able to compete for the talent necessary to provide the highest quality of education, and to request such committee to report its findings and recommendations to the Legislature not later than the fifth legislative day of the 1965 Regular Session.

**A RECOMMENDED METHOD FOR REPORTING TO THE LEGISLATURE  
ON FACULTY SALARIES AND OTHER BENEFITS  
AT THE UNIVERSITY OF CALIFORNIA AND  
THE CALIFORNIA STATE COLLEGES**

**(Pursuant to HR 250, 1964 First Extraordinary Session)**

*Prepared by the*  
**Office of the Legislative Analyst  
State of California**

**January 4, 1965**

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## INTRODUCTION

The purpose of this staff report is to recommend a method for reporting to the Legislature on salaries, fringe benefits and other special economic benefits for faculties of the University of California and the California State Colleges. This report has been prepared by the Joint Legislative Budget Committee in response to House Resolution 250 (1964 First Extraordinary Session, Appendix 1)<sup>1</sup> which resolved:

"That the Assembly Committee on Rules is directed to request the Joint Legislative Budget Committee to study the subject of salaries and the general economic welfare, including fringe benefits, of faculty members of the California institutions of higher education, and ways and means of improving such salaries and benefits in order that such California institutions of higher education may be able to compete for the talent necessary to provide the highest quality of education, and to request such committee to report its findings and recommendations to the Legislature not later than the fifth legislative day of the 1965 Regular Session."

Staff of the Joint Legislative Budget Committee initiated its study by seeking information which would reflect the magnitude of California's long-range and immediate problems regarding the need to recruit and retain an adequate number of high quality faculty. While reviewing past reports presented to the Legislature as justification for salary increase recommendations by the Coordinating Council for Higher Education, the University of California and the California State Colleges, it became apparent that the first step in trying to improve faculty salaries and other benefits is to furnish the Legislature with comprehensive and consistent data which identify the nature and level of competitive benefits. The costs associated with recommendations, rated according to priority, should be included in proposals by the segments in order to aid the Legislature in determining how much to appropriate and the benefits which an appropriation will buy.

There has existed in the past a difference between what the institutions have recommended as the need for salary and benefit increases and what has finally been appropriated by the Legislature. There are two principal reasons for this difference which at times may be closely related: (1) The Legislature may disagree with what is proposed as to need, or (2) there may not be enough funds to meet the need because of higher priorities in other areas of the budget.

These needs are very complex and, for example, include such factors as:

1. Disagreement with conclusions drawn from data submitted in justification of recommendations;
2. Lack of confidence in the quantity, quality, or type of data;

<sup>1</sup> Appendices deleted.

3. The failure of advocates to make points which are concise and clearly understandable;
4. The submission of conflicting data by legislative staff or the Department of Finance.

After careful consideration, it was determined that a special report should be made to the Budget Committee containing recommendations as to the kind of data the Legislature should be furnished for the purpose of considering salary and other benefit increases.

On August 5, 1964 a letter (Appendix 2) was sent from the Legislative Analyst to the Coordinating Council for Higher Education, the University of California, the California State Colleges, the Department of Finance and various faculty organizations informing them that the Joint Legislative Budget Committee was planning to hold a public hearing in connection with HR 250 and asking for replies to a series of questions designed to gather background information about salary and fringe benefits data (Appendix 3. Copies of Replies Received). The primary purpose of the hearing was to provide the University of California, the California State Colleges and interested groups the opportunity to indicate the basis on which salary and fringe benefits should be reported to the Legislature, including the kind of data to be compiled and who should compile and publish it (Appendix 4. Copies of Prepared Testimony Filed with the Joint Legislative Budget Committee at the October 15, 1964 Hearing). The contents of most of the prepared statements discussed problems and in some instances recommendations relating to faculty salaries and other benefits rather than the primary purpose of the hearing, but the testimony did serve to identify areas of concern. The hearing also established legislative interest in the subjects of faculty workload and sources of supplementary income.

The review of past faculty salary reports, the replies to the Legislative Analyst's letter of August 5, 1964, the oral and prepared statements received at the October 15, 1964 hearing of the Joint Legislative Budget Committee and other sources have revealed significant findings and permitted the development of recommendations concerning the type of information and method of presentation that should be included in future faculty salary reports prepared for the Legislature.

## BACKGROUND

Current procedures for review of faculty salary and other benefit increase proposals, starting with the presentation of recommendations by state colleges and University of California administrative officials to their respective governing boards, appear generally to be adequate, with minor reservations. The State College Trustees and the Regents of the University of California generally formulate their own proposals in December and forward them to the State Depart-

ment of Finance for budget consideration. Concurrently the Coordinating Council for Higher Education also makes a report with recommendations which is made available to the State Department of Finance. The Governor and the Department of Finance consider these salary increase proposals in relation to the availability of funds and their own analysis of faculty salary needs and decide how much of an increase, if any, to include in the Governor's Budget. The Legislative Analyst in the *Analysis of the Budget Bill* provides analysis and recommendations as to the Governor's budget proposal.

When appropriate legislative committees hear the budget request for faculty salary increases they may be confronted with several recommendations from various sources. Their first responsibility is to consider the Governor's recommendations in the Budget Bill. However, the University and the California State Colleges generally request the opportunity to present their own recommendations, which frequently differ from the Governor's proposal. Also, the Coordinating Council for Higher Education presents its recommendations. Various faculty organizations may desire to make independent proposals. The Legislature has been cooperative in providing all interested parties the opportunity to present their views, but these presentations have been marked by extreme variations in recommendations and in the data which support the requests.

#### WHO SHOULD PREPARE FACULTY SALARY REPORTS

There appears to be some difference of opinion concerning the purpose of faculty salary reports and recommendations prepared by the Coordinating Council for Higher Education. The University of California and the California State Colleges contend that they should make direct recommendations to the Governor and the Legislature and that Coordinating Council recommendations should be regarded as independent comments. Conversely, the Department of Finance and the Coordinating Council for Higher Education believe that salary reports and recommendations of the Coordinating Council should be the primary report submitted to the Department of Finance and the Governor to consider in preparing budget recommendations. The Department of Finance states that such a report should be regarded as similar in status to the annual salary report relating to civil service salaries prepared by the State Personnel Board for the Governor and the Legislature. It is our opinion that the Legislature should give specific and primary consideration to the recommendations in the Governor's Budget and to the annual faculty salary report of the Coordinating Council for Higher Education. However, any separate recommendations of the University of California and the California State Colleges should also be considered.

#### WHAT FACULTY SALARY REPORTS SHOULD CONTAIN

We do not believe that reporting required of the University, the California State Colleges, and the Coordinating Council for Higher Education should limit the right of these agencies to emphasize specific points in supporting their own recommendations. However, the Legislature should take steps to establish a consistent basis upon which it will receive comprehensive information about faculty salaries, other benefits, and related subjects from year to year. After careful consideration of the statistical and other grounds presented in support of salary and other benefit increase proposals in the past, we recommend that basic data be included in faculty salary reports to the Legislature in a consistent form in the following areas:

- A. Faculty Data
- B. Salary Data
- C. Fringe Benefits
- D. Total Compensation
- E. Special Privileges and Benefits
- F. Supplementary Income

Since it is necessary for staff of the executive and legislative branches of government to analyze recommendations prior to the commencement of a legislative session, all reports and recommendations should be completed by December 1 of each year.

#### A. Faculty Data

##### 1. Findings

- a. Informative data about the size, composition, retention, and recruitment of California State College faculty has been presented to the Legislature from time to time, but usually it has been so selective that it lacks objectivity and has been inconsistent from year to year.
- b. Superior faculty performance has not been demonstrated as a reason to justify past requests for superior salaries.

##### 2. Recommendations

The following data should be compiled and presented annually on a consistent basis. Definitions of what constitutes faculty are left to the discretion of the University and the state colleges but should be clearly defined in any report. Additional data may be included in any given year to emphasize special problems, but such data should supplement not replace the basic information recommended below. Graphs should be used when practical, accompanied by supporting tables in an appendix. Recommended faculty data includes:

- a. The number of faculty, by rank and the increase over the previous five years to reflect institutional growth.
- b. Current faculty composition expressed in meaningful terms, including but not limited to the percentage of the faculty who have PhD's.
- c. Student-faculty ratios as a means of expressing performance.
- d. Data relating to all new full-time faculty for the current academic year including the number hired, source of employment, their rank and highest degree held. Existing vacancies should also be noted. Pertinent historical trends in these data should be analyzed. We do not believe that subjective and incomplete data estimating reasons for turning down offers, such as has been presented in the past, serves any useful purpose.
- e. Faculty turnover rates comparing the number of separations to total faculty according to the following suggested categories; death or retirement, to research or graduate work, intra-institutional transfers, other college or University teaching, business and government, other.

### 3. Comments

The first three recommendations above are designed to reflect faculty size, composition, rate of growth, and workload. The inclusion of consistent data from year to year will facilitate trend analysis as it relates to the institutions involved and, when possible, to comparable institutions. The purpose of including data on new faculty and faculty turnover is to provide a quantitative base for discussions of problems relating to faculty recruitment and retention. It may also be beneficial to include some basic statistics about the available supply of faculty to see what proportion of the market, new PhD's for example, California institutions hire every year.

### D. Salary Data

#### 1. Findings

- a. The University for several years has exchanged salary data to provide a consistent comparison with a special group of five "eminent" universities, as well as with a group of nine public universities. Conversely, the California State Colleges have not yet established a list of comparable institutions which is acceptable to them.
- b. Both the University of California and the Coordinating Council for Higher Education maintain that salary comparisons to appro-

priate institutions is the best single method of determining salary needs.

- c. The University of California places less significance on salary comparisons with non-academic employment than the Coordinating Council on Higher Education and the California State Colleges.
- d. Salary increases have been proposed on the basis of differentials between total compensation (salaries plus fringe benefits) in comparable institutions.
- e. Both the University and the California State Colleges have tended to relate the size of proposed salary increases to how much of an increase would be necessary to return to a specific competitive position which existed in 1957-58 and which was unusually advantageous.
- f. Salary comparisons have frequently been made to various levels of teaching including elementary, high school, and junior college salaries.
- g. Methods of salary comparisons with other institutions have varied from year to year in reports prepared by the state colleges.

### 2. Recommendations

- a. We recommend that proposed faculty salary increases distinguish between: (1) increases necessary to maintain the current competitive position and (2) increases to improve the current competitive position.

(1) Proposed increases to maintain the existing competitive position should be equivalent to a projection of the average salary relationship between the University, or state colleges, and comparable institutions during the current fiscal year to the next fiscal year. We recommend that this projection be based on a projection of actual salary increases by rank in comparable institutions during the past five years, permitting statistical adjustments for unusual circumstances. Thus the proposed increase to maintain the existing competitive position would, in effect, be equal to the average of annual salary increases in comparable institutions during the past five years. A record of the accuracy of projections should be maintained in an appendix.

- 2) Recommendations to improve the current competitive positions should be related to the additional advantages to be derived.

- b. It is also recommended that the California State College Trustees select a list of com-

comparable institutions within the next year and that agreements be negotiated to exchange salary data in a form which will facilitate comparisons. A list of the criteria used to select comparable institutions, plus characteristics of the institutions selected, should be included in next year's report.

2. Specific proposals for salary increases should be accompanied by comparisons of current salary amounts and historic trends to comparable institutions. The following general principles are considered to be important:

- (1) Salary data should be separated from fringe benefit and special benefit data for purposes of reporting salary comparisons.

- (2) A consistent form should be used from year to year to present salary data. A suggested form might be to illustrate a five-year historic trend in average salaries by using a line graph for each rank. An alternative might be a table which simply shows where California ranked among comparable institutions during the past five years.

The current salary position might best be illustrated by showing a list of average salaries of the California institutions and the other comparable institutions from the highest to the lowest average, by rank, for the last actual and current years. This will show the relative position of the California institution for the last actual and current years, as well as the range of averages. Frequency distributions of faculty by rank or professor should be incorporated in an appendix and any significant limitations in the use of averages between these particular institutions in a given year should be noted. For example, an unusual proportion of faculty in the high ranks or the low ranks would affect the comparability of the arithmetic means.

- (3) Special data to illustrate a particular problem in any given year would be appropriate as long as it supplements, rather than replaces, basic salary data.

- i. Finally, it is recommended that salary data be reported in a form by rank which compensates for differences in faculty distributions.

## C. Fringe Benefits

### 1. Findings

- a. The definition of fringe benefits generally includes benefits available to all faculty that have a dollar cost to the employer. Benefits

and services of kind are considered to be fringe benefits only if a cash payment option is available. Retirement and health insurance, by definition, are the only two programs considered as fringe benefits by the University of California and the California State Colleges.

- b. Comparisons of fringe benefits, when comparisons have been made at all, have generally been limited to the dollar contribution by the employer and have not included any analysis of the quality of the benefits to the employee.

### 2. Recommendations

- a. It is recommended that fringe benefit comparisons of type of benefit be included in faculty salary reports, but compared separately from salaries. Such comparisons should include an analysis of the quality of the benefits as well as the dollar cost to the employer.
- b. Proposals to increase specific fringe benefits should be made separately from salaries, including separate cost estimates.

### 3. Comments

Separate proposals for increases in salaries and fringe benefits should be made to minimize misunderstanding about competitive positions. For example, information submitted to the 1963 Legislature by the University of California, in support of a proposed salary increase for 1963-64, compared total compensation data (salaries plus fringe benefits) rather than salaries alone. This report stated in part: "In comparing salaries, fringe benefits must be taken into account. Salary comparisons between the University and other institutions based on salary alone look far more favorable than comparisons of salaries plus benefits." The least favorable comparison was with fringe benefits, not salaries, thus the report recommended a salary increase largely on the basis of a difference in fringe benefits. Although it is felt that comparisons of total compensation are appropriate inclusions in a faculty salary report, such data should only be in addition to rather than in place of separate analyses of the current competitive position in salaries and fringe benefits.

## D. Total Compensation

### 1. Findings

- a. Total compensation data consists of average salaries plus a dollar amount representing the employer's cost of fringe benefits.
- b. The Coordinating Council for Higher Education, the University of California and the California State Colleges have in the past all