COMMITTEE ON FACULTY WELFARE
Update on Faculty Salaries

To the Academic Senate, Santa Cruz Division:

In 2007 the Academic Senate began comparing the salaries of UCSC faculty with the salaries of faculty on other UC campuses. An analysis from 2008 showed that average faculty salaries at UCSC were $2,000 - $3,000 lower than those of any other campus, and far below the average for all campuses.

In 2008 the EVC and the Committee on Academic Personnel instituted a new policy designed to make UCSC salaries more competitive. In this report we will show that progress has been made, in that faculty salaries are now equivalent to those at UC Riverside and UC Davis. However, the average UCSC salaries are still significantly behind those of UC Santa Barbara, UC Irvine and UC San Diego, and far behind UC Berkeley and UC Los Angeles.

Last year, CFW did a detailed analysis of the “promotion growth” of faculty salaries in each department on our campus. That analysis showed great variability among departments in the rate at which faculty were advanced and in the rate of salary growth. These data are available at http://senate.ucsc.edu/committees/cfw-committee-on-faculty-welfare/faculty-salaries/index.html. (Click on “Faculty Salary Metrics Slides.”)

This year CFW has focused on comparing UCSC salaries with those of seven other UC campuses. The most recent data available provided salaries as of October 2012. The dataset we used included 4992 faculty on the “regular” salary scale, i.e. it excluded Professional Schools, Business and Engineering, and Economics. We also excluded data from UC Merced and UC San Francisco.

Faculty salaries are determined by three factors:
A. The salary, rank and step at time of initial appointment.
B. The rate of advancement in rank and step.
C. The amount of “off-scale” salary awarded at each merit review.

We look first at the rate of advancement
Table 1 shows the number of years post-PhD versus rank and step. For example, typical Assistant Professors at Step 3 have had their PhD for five years, the average Professor at Step 9 is 33 years post-PhD. (Note that this is slightly different from saying it takes 33 years to get to Step 9. The cohort of faculty at Step 9 will include people who have been there for multiple years.) Fig. 1 presents the same data in graphical form. In general, the rate of advancement is remarkably similar on all campuses. For ten of the 14 steps UCSC is like the other campuses, perhaps a year faster (P3, P4) or a year slower (P6, P7). However, our campus has a significant number of faculty who have longer years of service at Associate Professor 1, Professor 1, 2, and 5.
Because of this slowly advancing cohort, the average UCSC faculty member is 0.8 years behind the UC average. This is approximately 30% of a step and translates into an average salary difference of $1,500 - $2,000.
In Fig. 2 the average rate of advancement for all UC campuses is compared to the “standard” rate, i.e. the rate predicted if the faculty member advances every two years until reaching Professor Step 1 and every three years afterwards. The data show that accelerated advancement typically does not occur until after reaching Professor Step 1. Faculty at Professor Step 9 have been accelerated an average of 6 years (two steps).

**A comment on “median” versus “average” salaries**

In the last several years, the Academic Personnel Office (APO) has issued reports on the competitiveness of UCSC faculty salaries. Most recently, APO reported that “UCSC’s median off-scale amount exceeds the 7-campus median for all ranks except Assistant Professor” (APO Annual Report of Faculty Salary Competitiveness – March 2012, p. 3). In the past there has been disagreement as to whether “median” salaries are an appropriate comparison. The distribution of salaries at any rank does not fall on a bell-shaped curve. Indeed, most of the variation in salaries is in the size of the off-scale increment received by those individuals who are above the median. This is illustrated by a set of real salaries for Professor Step 3 at UCD and UCSC. (This particular data is three years old.) As shown below it is possible for the median at UCSC to be higher, while the average salary is actually much lower. By using average salaries we get a more accurate estimate of how salaries compare between campuses.
### Analysis of the “effective” salary scale

Although all UC campuses in principle use the same salary scale, only 19% of faculty had an “on scale” salary. For UCSC 17% of faculty were “on scale.” The lack of state funds for salary increases has led to an increasing use of “greater than normal” salary increases, with
considerable variation in the size of the increase on different campuses. The result is that each campus has developed its own operational salary scale. Table 2 shows the average salary, at each rank and step, for each campus. The calculation was done as in the following example for four hypothetical faculty:

Professor #1. $90,000 on scale  
Professor #2. $90,000 on scale  
Professor #3. $93,000 ($3,000 off-scale)  
Professor #4. $95,000 ($5,000 off-scale)  

Average Salary $92,000 ($2,000 off-scale)  

Comparing the salaries at individual steps across campuses we see that the data are a bit noisy, i.e., for Assistant Professor Step 3 the average salary is higher at UCD than at UCSC, but at Step 4, the UCD salary is lower that at UCSC. If we take the average salary at all steps we see that the eight campuses sort into four tiers:

<table>
<thead>
<tr>
<th>Tier</th>
<th>Average salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 1</td>
<td>$124,000</td>
</tr>
<tr>
<td>Tier 2</td>
<td>$119,000</td>
</tr>
<tr>
<td>Tier 3</td>
<td>$107,400 +/- $600</td>
</tr>
<tr>
<td>Tier 4</td>
<td>$104,200 +/- $400</td>
</tr>
</tbody>
</table>
It is important to point out that in Santa Cruz the cost of living, especially housing, is more similar to that of Santa Barbara or San Diego than it is to Davis or Riverside. In addition we have the most expensive average health care costs because a high proportion of our faculty have stayed with Health Net HMO (PAMF).

Another useful way to look at the data (Fig. 3), is to compare the amount by which the average salary is off-scale (calculated as in the example above). The data show that for the other seven campuses the off-scale amount increases modestly as faculty rise in rank and step. The average Assistant Professor has a salary roughly $12,000 off-scale, while Professor Step 7 may be $14,000 off-scale. At UCSC the average off-scale amount decreases modestly at higher rank and step. The average Assistant Professor has a salary roughly $8,000 off-scale, while Professors at Steps 7, 8, and 9 are $6,500 off-scale. UCSC faculty receive lower salaries at all ranks and steps but the discrepancy is larger for longer-serving faculty. In part this is likely due to the fact that Assistant Professor salaries tend to be set at near-market rates. The bargaining power of older faculty is limited unless they receive an offer from another university.

One other interesting fact emerged from the analysis. Unlike previous years, this dataset included our most senior distinguished faculty, those “Above Scale.” The data showed that UCSC salaries at this rank were comparable to those at most other campuses, including UCB. UCLA, as usual, was the outlier, with an average Above Scale salary $18,000 above other campuses.
Conclusions

1. The salary gap has shrunk by $2,000 - $3,000 in last five years. Thus the salary boost program is having a positive effect.
2. Rate of advancement at UCSC is approximately 0.8 years slower than at other campuses (equivalent to $1,500 - $2,000).
3. Because of lower off-scale amounts, UCSC salaries are $3,200 below UCSD, UCSB and UCI and $5,900 below the average of all seven campuses (UCSD, UCSB, UCI, UCR, UCD, UCB, and UCLA).
4. Off-scale limits are rarely exceeded at UCSC, while other campuses are more flexible. Example – No Step 9 Professor at UCSC is above this limit. On other campuses 25% of Step 9 professors are above limit.
5. Differences grow larger at higher ranks and steps. (Except – Above Scale salaries are similar to all but UCLA.)
6. Providing salary data to faculty may help to address inequities within and between departments.

Recommendations
Continue the salary boost program and apply it to all ranks and steps. A reasonable goal is to increase UCSC salaries to at least the level paid at UCSB, UCI and UCSD.

Recognize that off-scale salary limits are frequently exceeded at other campuses, and grant exceptions when needed to maintain competitive salaries.

Department Chairs should make the data in this report available to their faculty, so that faculty have comparative data which can be used in formulating recommendations for merit increases.

The Committee on Academic Personnel should consider investigating why advancement through the ranks slows down near the Barrier Steps.

The committee plans to briefly summarize its findings at the March 8 Senate meeting and open the floor to Q&A.

Respectfully submitted;
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