

Business Schools Asking for Fees that Differ by Campus

Should one University of California business school be able to charge more for an MBA degree than another? A proposal to bring about such a difference seemed headed for consideration by the UC Regents last month but was withdrawn at the last moment, owing to an objection, from the Academic Senate, that it had been given almost no opportunity to review the plan. With the withdrawal, the Senate decided to take a broad look at the idea of fees that differ by campus.

Differential fees are not new to the Senate. In 1994, when the UC Regents first approved the concept of higher fees for selected professional schools, the board gave the administration the option of having these fees differ by discipline among campuses, so that, for example, a law school on one campus might charge more than a law school on another. The president and chancellors then had to decide whether to actually implement such differential fees. In the end, their decision was no; professional fees would remain uniform by discipline, they decided, with one temporary exception: the business school at UC Riverside was allowed to take longer to phase in increases in its MBA fees, so as not to price itself out of the market for MBA students. In coming to the conclusion it did, the administration took the advice of the statewide Senate's Academic Council, which opposed fees that differed among campuses.

Three years later, the issue has returned in the form of a proposal, endorsed by all five UC business school deans, under which the business schools at Berkeley and UCLA would raise their fees next year, while the schools at Davis, Irvine, and Riverside would hold theirs constant. (The lack of a fee increase at Riverside would represent a change in plans, since UCR had been scheduled to raise its MBA fees by \$1,000 per student next year.) Had a three-year plan that accompanied the proposal been followed, by 1999-00, student fees at UCB and UCLA would have totaled \$10,500, while at Davis and Irvine they would

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In Quest for Diversity, UC Pins Its Hopes On Outreach, Rather than Admissions

The 1995 University of California Regents' resolution titled SP-1 called for the University to eliminate the use of race and gender in student admissions decisions and for UC to develop, in its student body, "a UC population that reflects this state's diversity." The question University faculty and administrators have been asking ever since is whether the second goal can be achieved in light of the first. Last month, preliminary answers were provided on two fronts on the means by which diversity might be enhanced at UC.

First, the new admissions criteria that campuses will be using for students entering in the fall of 1998 were approved by President Atkinson (after receiving approval from the Senate's Board of Admissions and Relations with Schools in January.) Second, UC's Outreach Task Force — itself created under SP-1 — provided, in a draft report, its

ideas on how diversity might be enhanced through outreach.

The new campus admissions criteria were most notable for what they did not contain: Any notion of how diversity might be preserved through admissions, given the elimination of racial preferences under SP-1. To be sure, some campuses will give credit for "personal hardship" or "financial disadvantage" in their admissions decisions, but these qualities may not "map" to UC-eligible black students any more than they do to Asian students, for example. Indeed, some admissions officers say that, given the huge number of Asian and white applicants, any increased weighting for financial disadvantage may well have the effect of increasing their enrollment numbers, at the expense of black and Latino students. Slightly more promis-

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Senate, Campus Administrations Agree on Little, So Far, Regarding In-Residence Issues

Last spring, the Academic Senate capped an exhaustive review of the employment policies governing UC's In-Residence (IR) faculty by proposing a set of revisions to those policies. The changes the Senate recommended were extensive, covering everything from the way IR faculty are hired to the way their positions may be terminated.

This past fall, the Office of the President sent the proposals to campus administrations for review. The question was: what common ground did the Senate and administration have on changing IR regulations? Last month the first-round response that was received was: none at all. Speaking for their administrations, campus academic vice-chancellors said they did not support any of the changes in IR regulations that were proposed by the Senate. Given this response, Academic Council Chair Dun-

can Mellichamp requested to meet with UCOP academic affairs officials, who then will meet with the Council of Vice Chancellors on the issue.

In-Residence faculty are a group of about 1,200 ladder-rank Senate members who work mostly in UC's medical schools. Because their salaries are paid largely from contract and grant or clinical services income, they cannot be granted tenure at UC. The IR professorial series has been in turmoil in recent years, in large part because of uncertainties resulting from the financial changes at UC's medical centers. Last spring, the Senate narrowly approved a "memorial" to the UC Regents that called for all associate- and full-professor IR faculty who are "facing termination" to be granted a "full Privilege and Tenure hearing" upon request. IR faculty felt that without such a provision in place, many of them are subject to arbitrary dismissal.

The Senate's proposals on IR employment regulations dealt with the issue of dismissal but covered much more

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Inside Notice:
New UCSF Site;
May Assembly Meeting

Senate's Assembly Will Have Election of Vice-Chair, Legislation On Memorials, Assembly Procedure to Consider at May Meeting

At least four, and possibly five proposals for modifications to statewide Senate Bylaws seem likely to come before the Senate's Universitywide Assembly when it meets on May 13 on UC Berkeley's Clark Kerr campus.

The Assembly will also be asked to elect a vice chair of the Assembly and Academic Council for 1997-98 at the meeting. The person elected will, in 1998-99, become chair of the Council and Assembly — the most important position in the statewide Academic Senate. The Academic Council is expected to name its nominee for the post this month; other nominations may come from the Assembly floor.

One of the proposed Senate Bylaw changes deals with the process by which sense-of-the-Senate "memorials" are constructed and voted upon; a second would provide a means for Assembly members to add items to the Assembly's meeting agenda; and a third would make clear that the Assembly may take up for discussion any item of "new business" proposed by any Assembly member. Beyond these, the Senate's University Committee on Affirmative Action has asked that it be allowed to change its name to the University Committee on Affirmative Action and Diversity.

A fifth proposed Bylaw change may come before the Assembly depending on the decision of the Academic Council this month. The Council is considering whether to forward legislation that would make clear that any statewide or campus Senate committee may redelegate authority, but may do so only insofar as such re delegation is allowed in the Bylaw that establishes the committee. Upon considering this change in April, Council members noted that it is potentially far-reaching, in that there may be numerous existing situations in which Senate committees have re delegated authority without explicit Bylaw authorization. The potential exists, therefore, for an unknown number of committees to be out of compliance with Senate Bylaws the moment the proposed change is approved (to Senate Bylaw 20).

The Council wanted to balance this potential disruption against the need for the Bylaw change. UCLA is among the campuses for whom the change would be helpful, in that a Senate reorganization it put into practice last year cannot go forward as intended unless the state-

wide Senate Bylaws are changed to allow re delegation of committee authority. One of the changes UCLA made in its reorganization was to create an Undergraduate Council that took on the work of several previously existing Senate committees. The Council wished to re delegate final authority on some of its routine responsibilities — such as renaming courses — to the faculty executive committees of UCLA's schools and colleges. UCLA's Rules and Jurisdiction committee held, however, that such re delegation could not be carried out, even with changes to the UCLA Bylaws, since in R&J's opinion, only the statewide Senate could authorize re delegation and it had not done so in its own Bylaws. Opinions differ on this latter point, since statewide Bylaws have to this point been silent on the question of re delegation. To clear the situation up, however, Alden Mosshammer of UC San Diego suggested the change that is being considered by the Academic Council.

The Assembly is also expected to hear a proposal for a change to Senate Bylaw (SBL) 90, which sets forth the procedures for constructing the "memorials" that are voted upon by the Senate and, if approved, sent to the UC Regents.

Last year, the Senate took months to agree on the arguments that would accompany mail-ballots for a memorial on In-Residence faculty at UC. The SBL 90 revisions are aimed at speeding along the argument-construction process. In addition, the changes would help insure that language of the memorials themselves is well thought-out. Under the proposal, written arguments for and against a memorial would have to be submitted to a Senate division or the Assembly at least seven days prior to the time either body voted upon it.

A proposed change to SBL 110 would liberalize the means by which items are put on the Assembly's agenda. Under the proposal, the agenda would henceforth include any item requested in writing by 25 voting Senate members, a division, or seven members of the Assembly. A companion change, to SBL 120, would expand — or at least make more clear — the rights that Assembly members have to bring "new business" before the Assembly. Under the proposal any member of the Assembly may introduce a new business item for dis-

cussion (though not final action). At last year's May Assembly meeting, SBL 120 was interpreted to mean that any discussion of new business had to be approved by unanimous consent of the Assembly.

Finally, the University Committee on Affirmative Action has asked to add the words "and Diversity" to its name on the grounds that, under Regents' policy, UC is committed not only to carrying out such affirmative action programs as are mandated by law, but to diversifying its student, staff, and faculty ranks to the extent possible.

UC San Francisco Picks Mission Bay As Second Site

Cramped so badly that it is forced to put scientific refrigerators on its balconies, UC San Francisco announced in March that it has decided on a means of decompressing: It plans to open a second major campus site in San Francisco, this one on 43 acres of land in the city's Mission Bay district. The property is being donated to the campus by the Catellus Corporation, which is carving out the UCSF property from 313 acres of vacant railyards it owns in Mission Bay. UCSF expects to add some 2.65 million square feet to its facilities at the site, which is located just south of the Bay Bridge.

The action, still contingent upon the outcome of final negotiations, marks the end of a very long search for UCSF. Pinched for space in the 1980s, it bought the enormous Fireman's Fund building in San Francisco's Laurel Heights district in 1986, only to find itself on the losing end of a lawsuit, brought by area residents, which to this day prohibits the campus from conducting any laboratory work at the site. In the early 1990s, the campus began to look for a site free from such restrictions; it eventually narrowed the field to three candidates: Mission Bay; a site near Candlestick Park off U.S. 101; and a site across the bay in the City of Alameda. UCSF officials told the Regents in March that Mission Bay won out in large part because it offered an undivided parcel of land in close proximity to UCSF's main Parnassus Heights site, and because of the support offered for the site by the City and County of San Francisco.

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Diversity: Hoping that Outreach Can Do What Admissions Can't

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ing are such admissions factors as "first-generation University attendance," or "strength of the high school curriculum," which some campuses are taking into account.

Beyond these factors, one has to look hard for campus admissions criteria that stand to have any but a marginal effect on racial diversity. UC San Diego dropped a plan it proposed last summer under which high school graduates would have gotten points based on lack of quality in their high school. (The worse the high school, the more points granted.) The campus will give extra credit to students from heavily Hispanic San Diego and Imperial Counties, but this represents no change from the past and, according to UCSD Assistant Vice Chancellor Richard Backer, was never intended to be a diversity measure anyway. "It says to the community, this is one way we can show our commitment to the residents of San Diego and Imperial Counties," he says.

A Move to Holistic Admissions

One change that some admissions officers feel may have impact is a movement on some campuses to a more "holistic" admissions process — one that focuses less on numbers and more on a comprehensive assessment of student achievement and background. Beginning this year at UC Irvine, for example, a commitment to "community or public service" was considered among the campus' *academic* admissions criteria. Meanwhile, UC Berkeley has stopped using an "academic index," which provided a single number that summed student achievement in courses, grades and standardized test scores.

Under one view, holistic admissions practices "cast a wider net," and may therefore help bring in minority students, who may not stack up as well in a strict academic ranking. Stanley Williamson, the Chair of the Senate's Board of Admissions and Relations with Schools, cautions, however, that while holistic admissions "will give us a better look at students, nobody can predict what the results of this will be in terms of diversity."

It is not for a lack of effort that campuses have identified few admissions factors that stand to increase diversity. Since the passage of SP-1, all kinds of ideas have been considered and simulations run. The task, however, may literally be impossible, given not only

SP-1, but the Regents' warnings that campuses should not be developing "proxies" for race in their admissions guidelines. At least as far as admissions goes, SP-1 seems to have eliminated not just one "tool" for diversity, but almost all imaginable tools.

"Everybody thought, 'Oh, we'll find a way, we can do it,'" says UCLA's Director of Admissions, Rae Lee Siporin. "Well, we can't do it." At UCLA, she says, "We're going to see a dramatic decline in the numbers of black and Chicano and Latino students in the fall of 1998." UCSD's Backer says his campus stands by projections it has made that predict a 35-45-percent drop in enrollments among underrepresented minorities once SP-1 takes effect.

A Second Front: Outreach

Admissions practices are, however, only one means of achieving diversity; in March UC set forth a preliminary set of plans for another approach. A 35-member UC Outreach Task Force, co-chaired by UC Provost Judson King and former Pacific Gas and Electric Co. Chairman Richard A. Clarke, submitted its first public report on the subject of outreach and admissions.

The draft report began by noting that outreach based strictly on socioeconomic disadvantage holds little promise of increasing diversity at UC. Even when income levels are controlled for, the report said, "there are substantial differences in college preparation across different racial and ethnic groups." Among students whose parents make \$60,000 a year or more, for example, the average black SAT score is 810, while the average white score is 995. The panel concluded that it is the "continuing concentration of underrepresented minority students within the poorest learning environments that most appears to explain group differences in college preparation and eligibility." Given this, the panel said, "UC's outreach efforts need to focus primarily on *educational* disadvantage, not merely low income or economic disadvantage." The group then went on to offer a multi-point plan for targeting educationally disadvantaged students.

What is new in the plan is the idea that K-12 "partner schools," would be the entry point for educational outreach. The report envisions each UC campus taking "a leadership role in establishing a regional consortium of educational institutions to address the needs of a limited number of local partner schools

where preparation and college going rates are low." Such consortia would include public schools, other higher education institutions, community agencies and local businesses. The report envisions the various consortia working on curricular enrichment, instructional enhancement and the expansion of college preparatory counseling. The report saw a role for UC and other higher education faculty in acting as a resource for regional groups, helping to advise on educational issues and strategies.

Criteria for Partner Schools

The partner schools that would be the focus of the consortia would be identified by UC campuses not only on the basis of their proportion of low-performing students, but also on the degree to which their faculty and administrators are perceived to be committed to making improvements in student performance. UC campuses would create school-specific advisory councils, composed of UC administrators and faculty and K-12 administrators and faculty, parents, and community representatives. Such councils would serve as "brokers" between the school, the University, and other consortium partners. For UC, the idea would be to focus outreach, faculty research and evaluation, and UC student volunteer work on the partner schools, which might number five or six for each campus — for a total of perhaps 50 high schools, out of 900 in the state.

The report also called for the near-term modification and expansion of existing statewide academic development programs, such as MESA, and for increased "informational outreach" that would employ a variety of media.

Perhaps the most controversial aspect of the draft report was that it set forth a set of numerical goals for UC's enhanced outreach efforts, stated unequivocally: "Each UC campus, in collaboration with participating K-12 school districts and other regional partners, will increase the number of UC-eligible graduates from targeted partner high schools by 100 percent — or the UC-eligibility rate in these schools by 4 percentage points, whichever is greater — between 1997 and 2002," the report said.

The initial report of the Outreach Task Force has now been sent to various constituencies inside and outside UC for comment. Provost King told the Academic Council in March that he hopes to come to the UC Regents in June with a report in final form.

Concerns about Costs in Proposed Termination Process In-Residence: Cool Reception to Senate Ideas from Campus Administrators

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as well. Drafted by the University Senate's Committee on Academic Personnel (UCAP), the proposals called, for example, for an "adequate reserve covered compensation account" to be established to the extent possible for every new IR appointment made. It also called for associate and full IR professors whose positions are terminated to be granted 90 days termination notice for each year of employment, during which time they would continue to receive their "covered compensation" for up to a year. Speaking directly to the issue addressed by the Senate's memorial, the UCAP report called for all IR appointments to be of "indefinite" duration, whereas now many such appointments have a fixed ending date. Under one interpretation of University regulations, any Senate member with an indefinite appointment who receives notice of termination would be entitled to the "full" P&T hearing called for in the memorial.

Responding in writing to UCOP Assistant Vice-President Ellen Switkes, the academic vice chancellors said that that they did not support any of these proposals. Regarding the nature of appointments, UC Davis suggested multi-year appointments, but with fixed ending dates, while UC Los Angeles wanted the option of making both kinds of appointments and UC Irvine said it wished to continue to offer nothing but fixed appointments. On the reserve accounts and salary continuations the Senate called for, the vice-chancellors were equally cool.

"Granting agencies that fund part of the IR salaries won't allow money to be set aside for any kind of salary reserve," Switkes said. "Practice plans [clinical practices] can set aside money for 'bridge' funding in case of terminations, but we don't need a policy to permit this. The vice-chancellors felt, though, that there were no sources of funds that would allow us to guarantee salary continuance for *all* in-residence faculty" and thus opposed the Senate's blanket salary-continuance proposal.

Switkes said she is hopeful that agreement might be found on broadening to all campuses a UCLA policy under which proposed IR terminations are reviewed to make sure they are not being undertaken for arbitrary reasons.

The vice-chancellors, she said, opposed an alternative, multi-step termination process recommended by the Senate on grounds that it stands to be enormously costly in terms of time and money.

Council Chair Mellichamp will be meeting this month with Switkes and UCOP Vice-Provost Carol Tomlinson-Keasey to try to chart a course on all the IR issues.

UC Faculty Named to Direct Study Centers For Education Abroad

Eleven UC faculty have been named to direct foreign study centers in UC's Education Abroad Program (EAP) during the period 1997-1999. Study center directors advise and place students in classes at host campuses, determine credit for courses taken, provide grades and are responsible for the well-being of the EAP students. The directors also recommend placements for reciprocity students at UC campuses and maintain relations with partner institutions.

During 1997-98 the University of California's EAP program will send some 1,700 UC students to study in over 100 host institutions in 33 countries worldwide. In exchange, about 650 reciprocity students will come to UC from EAP partner institutions. Many EAP study centers are administered by an on-site UC faculty member.

The following UC faculty have been appointed as EAP Study Center Directors. Madrid: Carlos Blanco-Aguinaga, Department of Literature, UCSD; Meiji Gakuin (Japan): Robert Borgen, Department of Chinese & Japanese, UCD; China: Lowell Dittmer, Department of Political Science, UCB; Scandinavia: Karl Hufbauer, Department of History, UCI; Egypt: Mostafa Foda, Department of Civil Engineering, UCB; Tokyo: Masako Ishii-Kuntz, Department of Sociology, UC Riverside; India: Anoop Mahajan, Department of Literature, UCLA; Russia: Tim McDaniel, Department of Sociology, UCSD; UK/Ireland: Forrest Robinson, Department of American Studies, UCSC; France: Martin Schwab, Department of English and Comparative Literature/Philosophy, UCI; and Hungary: Thomas Timar, Department of Education, UCR.

Faculty Recruitment And Retention Detailed in Study

What institutions do UC faculty come from and what institutions do they go to when they leave?

A report on the subject, issued by the Office of the President last month, shows that, in the five years between 1990-91 and 1994-95, UC recruited more heavily from public than from private institutions; 58 percent of UC's tenured and non-tenured faculty came from public institutions in the period, while 41 percent came from private institutions.

If the question is, what are UC's top *individual* recruitment schools, however, all of UC's "comparison-eight" privates rank very high on the list. Harvard tops all other institutions, having supplied 49 faculty to UC during the period, while Stanford comes in at 42, MIT at 33 and Yale at 23. Only three other individual institutions matched even Yale's number (Columbia with 30, USC with 28 and Princeton with 23).

Traffic was substantial, but not quite as heavy, going the other way. Of the ladder-rank "voluntary separations" in the period, seven went to Harvard and seven to Stanford, but the University of Washington topped the destination list with nine. The Universities of Chicago and Texas got seven UC faculty each, and the University of Michigan six.

A companion report on faculty recruitment and retention in 1994-95 indicates that rumors of faculty flight from the University of California seem to have been greatly exaggerated. UC lost 68 tenured faculty in that year — slightly more than 1 percent of its 4,774 tenured associate and full professors. Moreover, this occurred in a year in which, because of the recession, UC's faculty salaries lagged comparison-eight salaries by more than 10 percent (whereas the current lag is less than half that).

Nevertheless, the report indicates, salary does make a difference. Tracking the percentage of UC's "first-choice hires" over time reveals a strong correlation of these hires with UC salary levels. In 1982-83, for example, UC got 72 percent of its first-choice hires; the next year, following the enormous, one-year budget increase provided by then-Gov. George Deukmejian, the first-choice figure went to 83 percent. A year later it stood at 89 percent. From the recession year of 1991-92 through the "recovery"

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Faculty Recruitment

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year of 1994-95, the percent of such hires went from 85 to 88 to 90 percent. Professional schools led all other disciplines in 1994-95 in proportion of first choice hires, landing 100 percent of the faculty they went after.

Salary also made a difference to the small number of tenured UC faculty who did leave in 1994-95. Of those who departed, 56 percent cited low salary as a reason for going, while 24 percent cited lack of research money; 21 percent said facilities were better elsewhere, while housing and cost-of-living problems were each cited by 16 percent of faculty. Departments reported that the small percentage of first-choice faculty who refused UC's offers most often cited better salaries elsewhere, lack of research money, and spousal employment issues as reasons for not coming.

In terms of gender, women comprised 110, or 33 percent of the faculty that UC recruited in 1994-95, while men accounted for 227 or 67 percent of the recruitments. These figures largely reflect recruitment at the assistant professor level, as this rank comprised about 70 percent of UC's recruits for the year. As usual, women were most heavily represented in arts and humanities and the social sciences (44 percent of recruits) and least represented in engineering and computer science (15 percent of recruits), the physical sciences (18 percent), and health sciences (17 percent).

Fees: Proposal from UC's Business Schools

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have likely been \$6,000, and at Riverside \$5,000. This time, there is no notion that these fee differences will be temporary.

Discussing the issue in March, Academic Council members seemed less concerned with the proposed business school change than with the question of differential fees in general. That is, what limits, if any, should there be on the concept of differential fees? The Council agreed to have campus Senate chairs seek advice from their campus committees, after which the Council will take the issue up again. Meanwhile, the proposal for the increase in UCB and UCLA business fees has been put in abeyance. All fee proposals to be discussed by the Regents will be brought forward in time for their October meeting.

Notes from the Chair: Academic Values

Questions keep arising concerning UC's new decentralized budgeting process. As described in past issues of *Notice* (March 1996, October 1996), this system apportions all state funds to the campuses through block grants consisting of a base budget (the campus' 1995-96 budget) plus a growth component consisting of increases in enrollment over the base, multiplied by the state's contribution of \$6,800 per student. Internally, campuses are free to allocate this money as they wish; the old system of UCOP providing so much funding for libraries, so much for instructional equipment, etc., is gone.

There is a perceived need that arises from this system for so-called "accountability measures." Quite rightly, UCOP has said that, if it is to distribute money in this way, it must have some means of making sure the funds are being spent appropriately. There are, in the first place, agreements with the governor, the legislature and the regents that UCOP is pledged to live up to; UCOP must have some means of ascertaining whether the activities it has committed the University to are in fact taking place on the campuses. Measures of these activities are quantitative and standardized across the campuses, dealing with such things as financial aid dollars and growth in enrollments. They have already been agreed to as "Phase I" accountability measures at UC. Many observers, myself included, believe there is also a need for *quality* measures, subjective and varying from campus to campus. It is likely to be some time before UCOP, the Senate, and campus administrations agree on what these "Phase II" measures might be.

The Senate's Academic Personnel and Planning & Budget committees have taken the position that a third set of measures falls between these two groups, most of these having to do with workloads, such as student-faculty ratios, ratios of lecturer to ladder rank faculty, etc. Such measures are objective and apply to all campuses and presumably could be agreed to more quickly than the subjective measures noted above. Their importance is that they provide key information in a world where faculty FTE is used merely as a measure, no longer a specified budget line with well understood guarantees.

Presumably these many measures will somehow capture the essence of our "academic value system." At least they should attempt to do this. An important issue, not yet an explicit part of the discussion, is that any prescriptive budget process incorporates academic values within its formulae — at UC, in the relative levels of support provided for younger campuses as opposed to older ones, for example. Note that faculty never participated in the selection of these funding parameters, which attempt to balance program maintenance against growth. In UC's new budget process, dollars flow in an unrestricted fashion to each campus. What is called for now is an increase in attention to campus-wide academic values. The extent to which the new budgeting system is further decentralized downward at the campus level requires the examination of academic values at the college level — as we try to judge, for example, the relative importance of the humanities, social sciences and sciences within letters and science — and perhaps even at the departmental level.

There are several critical questions for UC faculty here. Will we play a role in determining the sterile-looking but important numbers in the allocation relations? Will even our deans and vice chancellors, the traditional arbiters of academic judgments, participate in annual adjustments? Assuming that funds come to be allocated by formulae, what will be the methods by which new initiatives are funded?

In times past, our academic value system was essentially locked in the grey matter of our deans and vice chancellors. Individual faculty and the Senate both argued with and identified with their visions, creating in the process a set of tensions that resulted in the growth of some truly outstanding programs. What concerns me now, as an individual who has used mathematics over a professional lifetime and knows its limitations, is that we may be unconsciously asking more of our formulae than they can deliver; what we need is a set of decisions that only academic leadership can provide.

—Duncan Mellichamp
Chair, Academic Council

Grant 'Assessments' for Staff Awards Surprise Some Investigators

Some UC faculty who are principal investigators under research grants were unpleasantly surprised beginning last summer when they found that 1.3 percent of the funding they had been granted for payroll expenses was not theirs to disburse as they saw fit, but instead had been put into an employee "incentive award" account.

As it turns out, however, UCOP consulted on and provided fair-warning about these mandatory "assessments." The problem was this message often didn't reach individual PI's with a "this-means-you" label attached.

The assessments stem from an employee incentive award program the University has had in effect for years. Until 1994-95, the amount of the awards was 0.5 percent of UC's payroll, but in that year, the University set aside another 0.8 percent of its state-funded payroll dollars for the program. Incentive awards do not build base salary, but rather come in the form of a one-time "bonus" check, intended to award selected employees for superior performance, rather than being spread evenly across workers in an employment unit.

State money is, however, only one

source of funding for UC salaries. Hospital employees may be paid from clinical income, for example, while campus lab employees may have all or part of their salary paid for from contracts and grants. Under University regulations, UC's compensation policies must apply to all employees, regardless of the source of their payroll funding. From 1994-95 forward, therefore, grant funds as well as state funds were supposed to have 1.3 percent of their salary component set aside for incentive awards.

The problem with this for grant funds was that it was an honor system that wasn't always honored. "The PI's didn't have to declare incentive awards," says Jorge Ohy, UCOP's manager of costing policy and analysis. Thus, two years after the increase in funding for it, the program was made mandatory for all contracts and grants salaries by means of "assessments," levied against grants and put into incentive award accounts.

Ohy notes that incentive awards do not represent an additional cost of payroll, but rather are a set-aside for payroll that is already being provided — or that can be planned for. He says UCOP's Office of Research Administration pro-

vides an annual "guidance memo" that sets forth projections on increases in employee salaries and that, for the year now in progress, the memo projected a 4 percent increase in salary costs. Given this, he says, "PI's are not being tapped for money that was not included in their budgets, if they followed our projections."

Some faculty say, however, that they are now being asked to deal with a set-aside that was not in place when multi-year grant proposals were written. Beyond this, the problem for busy PI's is one of trying to assimilate several streams of bureaucratic information while trying to run a research project.

UCSF: Second Site

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UCSF Vice Chancellor Bruce Spaulding told the Regents that he expects to bring to the board in May a conveyance agreement for acquisition of the Mission Bay land. The campus does not expect to engage in clinical medicine at the site, but instead will limit its activities there to biomedical research.

Notice

is published eight times during the academic year for the University of California faculty by the Academic Senate's Academic Council.

Duncan A. Mellichamp, Chair
UCOP, 22nd Floor, 300 Lakeside Drive
Oakland, CA 94612

David Krogh, Editor
Room 422, 2223 Fulton Street
UC, Berkeley, CA 94720-1020
(510) 642-6068
david.krogh@ucop.edu

Notice is available on the World Wide Web at: <http://www.ucop.edu/senate>

Voluntary Contribution Plan Update

UC Voluntary Contribution Fund Performance
As of February 28, 1997

Fund	Rate of Return, Last 12 Months	Rate of Return, Last 1 Month	Unit Price
Equity	18.36%	0.42%	\$173.2
Bond	16.38%	1.35%	\$87.1
Savings	6.21%	0.46%	N/A
ICC	7.65%	0.56%	N/A
Money Market	5.49%	0.41%	N/A
Multi-Asset	12.26%	0.62%	\$20.3