Negotiated Salary Trial Program (NSTP)

Overview of Policies and Procedures
Agenda

- Program overview
- How to submit an NSTP request
- Reminders and updates
- Resources
- Questions and answers
What is NSTP?

- Negotiated compensation plan for the General Campus tailored after the Health Sciences Compensation Plan (HSCP)
- Allows eligible ladder-rank/in residence faculty to contribute external funding sources towards their total UC salary (up to 30%)
- NSTP began as a Pilot Program in FY 2013-14
- Phase Two of the NSTP was approved and began on July 1, 2018 for an additional four years
Eligibility and Participation

- UCI ladder-rank and in-residence faculty in non-HSCP units who hold at least 50% appointments

- The following faculty are not eligible to participate
  - Full-time deans and faculty administrators
  - Faculty appointed in a Health Sciences department and eligible to participate in the Health Sciences Compensation Plan

- Faculty must be in good standing
  - Compliance with University policies, reporting and training requirements
  - Teaching load
  - University service
<table>
<thead>
<tr>
<th>Program Year</th>
<th>Number of Participants</th>
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<tbody>
<tr>
<td>2013-14</td>
<td>39</td>
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<tr>
<td>2014-15</td>
<td>45</td>
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<td>2015-16</td>
<td>48</td>
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<td>2016-17</td>
<td>57</td>
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<td>2017-18</td>
<td>71</td>
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<td>2018-19</td>
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- 111 faculty participants from 9 schools
External Funding

• Funding of the negotiated component **must come from external funds**. Examples include:
  • Endowment or gift income
  • Professional degree fees
  • Self-supporting degree fees
  • Contract and grant support

• External Funding is not:
  • State-appropriated general funds
  • UC general funds
  • Chancellor Fellow’s funds
  • Opportunity Funds
  • Overhead Recovery funds
  • Student tuition funds or other internal sources
Funding for the Negotiated Salary Component (NSC) must be awarded and deposited to a UCI account prior to June 30 of current fiscal year to be eligible for following year’s negotiation.

- July 1st or mid-year Hires
  - New faculty may start participating once funds have been formally transferred to a UCI account

- Retroactive participation is not permitted

- Adequate external funding must be available for the entire year of the proposal, without exception
  - Cap gap must also be covered, summer is encouraged but optional. State funds may not be used.

- Funds awarded after the June 30th may be considered eligible compensation for the following academic year.
Compensation Components

- Scale Based Salary (SBS)
  - Faculty members regular salary
  - Covered Compensation under the University of California Retirement Plan (up to IRS limits)

- Negotiated Salary Component (NSC)
  - Capped at 30% of the scale based salary
  - Not covered compensation under UCRP
  - Negotiated annually

- Total UC Salary (TUCS)
  - SBS + NSC
Compensation Components Continued

- Summer Salary
  - Faculty are expected to maximize summer salary
  - Summer ninths paid at the TUCS rate
  - Summer salaries can come from both internal and external fund sources
  - Cap gap is encouraged but optional for 2019-20

- Administrative Stipend
  - Allowable under the program
  - Stipends are not counted as part of the SBS and should not be considered when calculating the NSC
The TUCS rate will be effective July 1 through June 30 and may not be changed for any reason.

Newly hired faculty with mid year start dates may participate from their appointment begin date through June 30.

Early withdrawal from the NSTP is only allowed upon:

- Separation from the University
- Transfer to an ineligible title
- Retirement
- Result of disciplinary action

The University can ask faculty participants to pay back any NSC as a result of early withdrawal.
Leaves of Absence

- Sabbatical and other leaves with pay may be taken and will be paid at the TUCS rate
- If external funds restrictions preclude payment of medical leave, the department must provide external funds to ensure full payment of the TUCS
- Faculty who have a planned leave without pay cannot participate in the program
Financial Responsibility

- The Dean or her/his designee is responsible for managing funding of the NSTP and will cover a participant's TUCS for the entire fiscal year, even if the faculty member loses funding during the annual negotiated period.

- Contingency Fund
  - Participating faculty member contributes 10% of their NSC.
  - Fund is to ensure coverage of TUCS obligations in the event of an unforeseen event.

- Contingency Fund surplus usage requires Dean and EVCP approval.
Submitting a NSTP Request
Proposal Submission Process

- Step 1: Faculty member works with Fund Manager to verify that funding sources are allowable, available and will remain in place for the entire fiscal year.
- Step 2: Faculty member submits and certifies the completed Request for Compensation Form to the Fund Manager.
- Step 3: Fund Manager completes and certifies the Fund Verification Form.
- Step 4: Chair/Dean completes and certifies the Chair/Dean Certification Form
Proposal Submission Process Continued

• Step 5: After all forms have been completed and certified, email the completed forms by May 1 to acadpers@uci.edu. Forms should remain fillable and should not be scanned. No late submissions will be accepted.

• Step 6: Senate Committee will review the proposal and make their recommendation to the Vice Provost of Academic Personnel (VPAP).

• Step 7: VPAP will make a final decision and inform the EVCP and Dean of the approved proposals.

• Step 8: Academic Personnel will send approval letters to units

• Step 9: Unit will forward approval letter to faculty member.
Denied Proposals

- Proposals that do not have Chair, Dean, or Fund Manager support will not be approved.
- Faculty must work with each level to rectify any concerns before forwarding the file to Academic Personnel.
July 1 Salary Changes

- **Option 1:** Recalculate the NSC based off of the new SBS
  - NSTP participation percent stays the same
  - SBS increases
  - NSC increases
  - TUCS increases

- **Option 2:** Keep the previously approved NSC amount
  - NSTP participation percent is reduced
  - SBS increases
  - NSC stays the same
  - TUCS increases

- **Option 3:** Keep the previously approved TUCS rate
  - NSTP participation percent is reduced
  - SBS increases
  - NSC decreases
  - TUCS stays the same
July 1 Salary Change Example

- Faculty A pre-7/1 NSTP approval amounts:
  - SBS: $100,000
  - NSC: $30,000
  - TUCS: $130,000
  - Participation Percent: 30%

- Faculty A post-7/1 SBS: $125,000 (merit, range adjustment, discretionary amount)

- Salary adjustments effective 7/2 and after are only eligible for option 3

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<th>Salary Component</th>
<th>Option 1</th>
<th>Option 2</th>
<th>Option 3</th>
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<tr>
<td>SBS</td>
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<td>$125,000</td>
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<tr>
<td>NSC</td>
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<td>$30,000</td>
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<tr>
<td>TUCS</td>
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<td>$155,000</td>
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<tr>
<td>Participation %</td>
<td>30%</td>
<td>24%</td>
<td>4%</td>
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Reminders and Updates

- Course buyouts are not allowed during NSTP participation
- Cap gap must be fully funded during academic year
- Rounding will be made to nearest $100 for NSC portion
- Forms have been updated

*Please review all forms for complete and correct information before submitting to Academic Personnel*
Key Points

- Submission Deadline: Wednesday, May 1, 2019
- Late proposals will not be accepted
- All submissions must be electronic (not scanned) and emailed to acadpers@uci.edu
Resources

- Academic Personnel
  - Jennifer Luong, Senior Academic Compensation Analyst
    ramirj11@uci.edu, x44847

- Office of Research
  - Nancy Lewis, Executive Director – Sponsored Projects
Questions?