

ACADEMIC SENATE
of
THE CALIFORNIA STATE UNIVERSITY

AS-2523-01/FA
January 18-19, 2001

Merit Pay Principles and Future Contract Bargaining

- RESOLVED: That the Academic Senate of the California State University (ASCSU) conclude that, in the words of the neutral fact-finder, Richard B. Danehy, the current FMI program “appears to be ill-conceived and poorly administered”; and be it further
- RESOLVED: That the Academic Senate CSU reaffirm its commitment to the spirit and philosophy underlying the report of the Merit Pay Task Force of the ASCSU; and be it further
- RESOLVED: That the Academic Senate CSU urge the Chancellor and Board of Trustees of the California State University, and the California Faculty Association, to recognize that the Retention, Tenure and Promotion (RTP) process is a merit system that has credibility with the faculty and that any further merit-based compensation program should build upon this model and adapt it to include non-tenure-track faculty.

RATIONALE: The Academic Senate of the California State University Task Force on Merit Pay, which began its work in 1997, did an independent review of existing literature on merit pay programs, and an informal survey to ascertain attitudes of CSU faculty, prior to writing its report. The ASCSU developed the following carefully crafted set of principles on which it believed any merit pay program must rest:

*** PRINCIPLES ***

1. *No merit pay plan shall be implemented until the CPEC faculty salary gap between the CSU and comparison institutions...is eliminated through across-the-board salary increases. Competitive salaries shall be maintained through across-the-board increases.*
2. *The purpose of merit pay shall be clearly stated.*
3. *Merit awards shall not exceed two steps on the applicable salary schedule.*
4. *Merit pay may be awarded in the form of bonuses, additions to base pay, or both.*

5. *Criteria used to decide merit awards must be clear to all parties. All members of the University community must understand how merit is defined. Faculty members eligible for awards must be informed of the criteria that will be used in making decisions, and the committees or individuals who evaluate and recommend regarding merit awards must be informed about the criteria they are to use in making decisions.*
6. *Decisions about who receives merit pay awards shall be by faculty at the department, school, or college level. Final decisions shall be made by the faculty, and individuals' due process shall be protected by the university president.*
7. *A merit pay system must be characterized by openness. The names of those recommended, those who receive awards, and the size of the awards must be public knowledge. Reasons for denial of awards shall be communicated to those denied.*
8. *Merit salary increases shall be awarded to individuals who demonstrate meritorious performance in one or more of the 3 recognized areas of professorial responsibility: teaching, scholarship or creative activity, and service. Awardees shall demonstrate satisfactory performance in all 3 areas. Individuals whose assignments do not include these areas shall be eligible for merit pay based on their performance in their own assignments. Determination of what constitutes meritorious and satisfactory performance shall be made by faculty on each campus. Merit pay is usually awarded to individuals, but group awards, i.e., to a program or department or team, also might be considered.*
9. *The CSU recognizes and financially rewards merit by its system of ranks, i.e., Assistant Professor, Associate Professor, and Full Professor. Individuals are thoroughly and carefully reviewed for tenure and promotion several times during their career.*
10. *Involvement in a merit pay system, both by those seeking awards and those determining awards, shall not require faculty to expend extraordinary amounts of time. The merit pay system should be simple and flexible, with maximum autonomy at the campus level to determine criteria and procedures.*

11. *Persons seeking merit pay awards shall not serve on any committee involved in determining who receives awards.*
12. *No system of merit pay shall be put into place without a fair and equitable grievance process for those denied awards.*

The report of the neutral fact-finder at the end of impasse in the reopens bargaining between CSU and CFA in 2000 corroborates much of the content of the Final Report of that task force.

APPROVED – March 15-16, 2001