October 16, 2012

Professor Gregory Clark, Department of Economics; Senate Representative
Dean and Professor Steven Currall, Graduate School of Management (chair)
Executive Associate Dean and Professor Carol Erickson, College of Biological Sciences
Associate Dean and Professor Bruce Hartsough, College of Engineering
Professor James Jones, School of Veterinary Medicine, Senate Representative
Professor Susan Rivera, School of Medicine, Senate Representative
Professor Leticia Saucedo, School of Law
Professor Saul Schaefer, School of Medicine, Senate Representative
Vice Provost and Professor Maureen Stanton, Academic Affairs
Analyst Everett Wilson, Academic Affairs

RE: Joint Administrative-Senate Task Force on Analysis of Faculty Salary Equity at UC Davis

Dear Colleagues:

Thank you for agreeing to serve as members of the 2012/13 Provost's Joint Task Force on Faculty Salary Equity at UC Davis. We are especially grateful to Dean Steve Currall, who has agreed to chair the task force.

There are few issues more critical to our university's commitment to fairness and inclusion than that of faculty compensation. It is because of this issue's central importance that we have been directed by the UC Office of the President and by the UC Academic Council to propose methods of analysis that will allow our campus to determine, at regular intervals, whether there are patterns of salary variation among UC Davis faculty that are associated with gender and ethnicity. If so, then understanding some of the correlates and causes for such variation will form the basis for addressing and remediating those salary differentials.

Historical context

In 2007, the University Committee on Affirmative Action and Diversity (UCAAD) recommended the undertaking of a systemwide study to assess whether UC patterns of salary compensation associated with gender and ethnicity are in compliance with Title IX and other civil rights legislation. That report, authored by Professor Emerita Pauline Yahr (UCI), a former UCAAD chair, was submitted to the UC Academic Council in June 2011 (Analysis of UC Pay Equity by Sex and, among Men, Ethnicity; http://www.universityofcalifornia.edu/senate/PayEquityReportAllPagesJune2011.pdf). In July 2011, the Academic Council forwarded the Yahr salary equity report to UC President Mark Yudof, requesting that the Administration “provide its own analysis of the report to assist the Senate in its deliberations.” President Yudof submitted his response to the Yahr report in January 2012, which was based in part on responses from individual campuses and on two independent analyses commissioned by UCOP. In response to feedback from both the Senate and the Administration, the
UC Academic Council made its final recommendations to President Yudof, and on September 11, 2012 President Yudof outlined to Senate Chair Robert Powell the steps the University would undertake to review faculty salary equity. Importantly, at the urging of the Senate, each campus has been asked to develop its own analyses of salary equity, methods for making the results of the analyses transparent, and response measures.

The following excerpts from President Yudof's September 11th letter provide the foundation for your task force’s charge:

- Each campus will determine the administrators and faculty committees who will be involved in the faculty salary analysis; the period of salary equity reviews (annual, biannual, other); the units to be studied; plans for addressing and reporting any pattern of discriminatory salary differences; and the methodology to be employed. Campuses may elect to continue current studies that are already analyzing salary equity and they may choose to make this analysis a part of standard reports, like the academic Affirmative Action report, as appropriate. Findings should be transparent and accessible to the campus.

- … All campuses should have produced at least one salary equity study by January 2015. Studies will be available to the Divisional Senate and the UC Provost.

- I expect campuses to address any pattern of discriminatory salary differences that are uncovered through such studies and to examine individual outlier cases in their full context.

- There will be a review of the salary equity study analyses to take place in 2018, five years after the reports begin, coordinated by the UC Provost and the Academic Council Chair. A decision should be made at that time about the usefulness of continuing the studies.

After consultation with the campuses, UC Vice Provost Susan Carlson has set January 15, 2013 as the deadline for reports from all campuses to be received at UCOP. Prior to that deadline, draft reports are to be circulated broadly for Senate and administrative review on each campus.

There is much work to be done, and so your task force needs to begin its work quickly. We believe that it will be useful for each member of the task force to review the methods and findings of the Yahr report and the January 23, 2012 letter from President Yudof, in which are included summaries of campus responses and the two UCOP-commissioned analyses by Professors Donna Ginther (Univ. of Kansas) and Daniel Hamermesh (Univ. Texas Austin). Together, these reports present a spectrum of approaches and arguments that can be applied to an analysis of salary equity associated with gender and ethnicity.

We recognize that there is a great deal of thoughtful scholarly debate, not only about how we should most accurately measure patterns of salary inequity, but also about the underlying causes for observed variation associated with gender and ethnicity. Within academic units, pay inequity associated with gender or ethnicity could reflect systemic differences in a number of factors. Chief among these are starting rank and step, rate of advancement through the merit and promotion system and off-scales awarded due to competing offers from other institutions at recruitment or later in the academic career. There is little doubt that such differences, if found, are of fundamental interest to our campus, as they will indicate areas requiring further study as well as the spectrum of potentially effective institutional responses. What causes such salary differences is also of great importance, but is much more difficult to assess. It is of course possible that differences associated with gender and ethnicity reflect discrimination or bias, although as outside evaluator Ginther reports, “Economic theory assumes that equally productive workers, regardless of gender, will be paid the same and hired in equal numbers given market forces. Thus, economists are reluctant to interpret gender salary gaps as evidence of gender discrimination unless the models control for variables that determine wages (i.e. education and experience) as well as measures of productivity.” At present, we do not collect systematic data on many of these potential predictors, and so a full analysis including them is beyond
our current institutional capacity. Nonetheless, given that there are a number of studies showing gender bias in the evaluation of academic candidates, the potential role of systemic bias cannot be ignored if consistent salary differences are observed.

The specific charge to the task force will be to produce a report for review by the UC Davis Division of the Academic Senate, Chancellor Katehi and us, to be forwarded, with comments, to President Yudof and the UC Academic Senate. In the context of President Yudof’s charge, we ask that the report address the following questions.

- **To what extent are there differences at UC Davis between genders and among ethnicities with respect to the following factors determining faculty compensation: rank and step at appointment, offscale salary at appointment, rate of advancement through the merit and promotion system, and offscale salary provided later in the career, e.g. for retention?** We ask that the Task Force members propose specific analyses that can address these questions, as well as others deemed critical by the committee, based on available data. In considering these issues, it is also important to account for the impacts of stopping the tenure clock and of other approved academic leaves on compensation.

- **Given the documented structural biases in how men and women pursue external offers from other institutions, what steps can the campus take to identify and retain high-performing faculty members who are receiving less offscale than their colleagues who may have been more proactive in seeking and pursuing extra compensation via retention?**

- **What are the best methods for making the findings from salary equity studies available to the public and to the university community?** In this regard, we recommend that the dissemination efforts of UCI and UCSB be studied as possible models.

- **What campus policies, procedures, and practices could be developed and employed to ensure that biases based on gender and ethnicity are playing as little role as possible in determining compensation for our faculty?**

Finally, given the instructions presented by President Yudof, we would ask that your task force propose a timeline for implementation of the analyses and responses that you recommend.

We very much appreciate your participation in this important collaborative effort between the administration and the Davis Division of the Academic Senate.

Sincerely,

Ralph J. Hexter
Provost and Executive Vice Chancellor

Bruno Nachtergaele
Chair, Academic Senate

/mbm

c: Chancellor Katehi