

Requesting Unit: Faculty Senate Compensation Committee

Title of Request: Compensation Proposal for FY26

Brief Description:

In FY25, the approved budget included a 2.0% pay increase in the Cost to Continue section of the University operations. The Faculty Senate Compensation Committee continues to strongly support the Cost to Continue pay increase in FY26. However, it is important that this does not preclude faculty voices being heard in future discussions.

In FY26, Faculty Senate is requesting an additional 2.5% increase to all faculty salaries. Thus, the Faculty Senate Compensation Committee supports a total increase in salary of 4.5% (2.0% for Cost to Continue plus a 2.5% additional increase).

The Faculty Senate Compensation Committee is charged with reviewing the base pay increases and Professional Development allocations* during the fiscal year budget review process for even numbered years, as noted on pages 29 and 51 of the Faculty Handbook. In alignment with the University's Strategic Action Plan (Section 3.1) focusing on recruiting and retaining quality faculty; the Committee proposes a \$700 increase in the base pay for non-tenure track faculty merit and promotion to associate professor, professor, and post-professorial merit as shown in the table below which also includes the last year that these values have been updated:

Faculty Level	Current Base Pay Increase	Suggested Base Pay Increase	Year of Last Review
RNTT Merit	\$2500	\$3200	2013
Associate Professor	\$6400	\$7100	2004
Professor	\$7900	\$8600	2004
Post-Professorial Merit	\$5000	\$5700	2007

*No changes are proposed for FY26 regarding Professional Development allocations for faculty receiving promotion or post-professorial merit, but future reviews could revisit this for FY28.

The Budget Office provided data regarding potential costs derived from several years of historical financial information. For fiscal years FY23 to FY25, the three-year average of faculty members receiving promotion or merit increases was a total of 45 individuals (RNTT – 12, Associate Professor – 14, Professor – 7, Post-Professorial merit – 12). Based on these numbers, the estimated total increase in compensation for FY27 would be approximately \$324,728, which also encompasses FICA and CURP/MOSERS contributions.

Additionally, the Faculty Senate Compensation Committee fully supports the CTS Staff Council's and Professional Staff Council's requests for an additional 2.5% increase for all staff salaries. Thus, the Faculty Senate Compensation Committee supports a total increase in staff salaries of 4.5% (2.0% for cost to continue plus a 2.5% additional increase). The Faculty Senate Compensation Committee also fully supports the future objectives of both CTS Staff Council and Professional Staff Council.

Rationale:

The faculty recognize the budget challenges of the university. Additionally, faculty appreciate the university's commitment to fulfilling the 2019/2020 equity study conducted by Evergreen Solutions, which showed a 15.7% average below market. To be in a reasonable range of equity, it is important to continue to fund annual raises across the university.

An annual cost of living allows employees to sustain minimum financial stability as they continue to have increased workloads for baseline compensation. With the annual cost of living, employees are not perceived as being a financial burden to the university. Despite the obstacles the university experiences, faculty and staff will continue to actively support the university and the students. Faculty are willing to engage in the difficult conversations surrounding the budget over the upcoming years and will continue to help make the university a successful institution for students, faculty, staff, administration, and the community.

The following demonstrates a nine-year period showing percentage of raises and cost of associated inflation:

Fiscal Year	Salary Increase	BLS Inflation Report
2017	1.5%	2.1%
2018	0%	1.9%
2019	0%	2.3%
2020	1% or \$700	1.3%
2021	1% midyear	7.2%
2022	2%	6.4%
2023	3.5%	3.3%
2024	4%	2.9%
2025	2%	-
Cumulative Total*	15.9%	30.7%

*Total salary increase does not include equity salary study increases

This gap was particularly noteworthy when the pace of inflation accelerated to 7% in 2021, which was the highest rate experienced since 1982. This is without considering the negative effects from market pay and the increasing cost of health care benefits, which are climbing significantly faster than inflation.

Summary:

The Faculty Senate Compensation Committee, with the unanimous support of the Faculty Senate, would like to request the following for consideration for FY26:

- A total increase of 4.5% to base salary pay (2.0% Cost to Continue plus a 2.5% additional base pay increase) for all full-time RNTT, TT, and Tenured faculty.
- A total increase of 4.5% to base salary pay (2.0% Cost to Continue plus a 2.5% additional base pay increase) for all staff employees as requested by CTS Staff Council and Professional Staff Council.
- Full support for the future objectives of both CTS Staff Council and Professional Staff Council.

Budget Request:

<u>FY26 Request</u>	<u>Estimated Cost</u>
4.5% total base pay increase for all faculty*	\$1,803,480
4.5% total base-pay increase for adjuncts	<u>\$65,669</u>
Total	\$1,869,149

*Full-time RNTT, TT, and Tenured faculty will receive a base increase of 4% (87.5% of the 4.5%). The remaining 0.5% would be used to fund post-professorial merit per the Faculty Handbook.