



**Budget Review Committee
FY24 Request
April 7, 2023**

Requesting Unit: Faculty Senate Compensation Committee

Title of Request: Compensation Proposal for FY24

Brief Description:

FY24: Given the Bureau of Labor Statistics report of 6.4% inflation in calendar year 2022, the governor’s 8.7% pay increase to other state employees, and the university’s financial situation, the committee decided to ask for just below half of the governor’s allotment or a 4% pay increase for all faculty, including Adjuncts and Graduate Assistants. Additionally, the Faculty Senate Compensation Committee fully supports the staff committee’s recommendation to consider reinstating a merit system for staff in the near future, a system of advancement for administrative assistants, and another salary equity study in 2025—six years after the previous study was conducted in 2019. The rationale is that salaries may well have fallen below those of equivalent universities given our raises have not kept pace with cost of living.

Rationale:

The faculty recognize that the university is evolving through a challenging period considering the pandemic event of three years ago and current projected declining enrollment trends. It is further recognized that there are concerns related to the financial future of the university in a time of considerable financial instability, both in the form of unexpected costs and potential reductions in revenue. Although the university has bounced back from the COVID-19, it still has several unfilled faculty lines.

After the Budget Review Committee completed its work in spring 2021, the university received an unexpected state appropriation that improved the financial situation in the near term. During that summer, it was announced that faculty and staff would receive a 2% pay increase in the upcoming academic year.

In 2019-2020, the university funded a pay equity study with a proposed plan to implement pay adjustments over the next three fiscal years. According to Evergreen Solutions, the faculty market results showed a 15.7% average below market. Over the past decade plus, the university has prioritized spending in areas other than employee wages and benefits. This trend has seen employee benefits decline year after year, as employee costs for benefits have increased and wages have stagnated. During this period, employee compensation has not kept pace with these losses and costs of living increases. The following demonstrates a seven-year period showing percentage of raises and cost of associated inflation:

FY 2017: 1.5% salary increase, 2.1% inflation;

FY 2018: 0% salary increase, 1.9% inflation;
 FY 2019: 0% salary increase, 2.3% inflation;
 FY 2020: 1.0% or \$700 salary increase, 1.3% inflation;
 FY 2021: 1% midyear salary increase; 7.1% inflation;
 FY 2022: 2% salary increase; 6.4% inflation;
 FY 2023 3.5% salary increase; 6.0% inflation.

In summary, the rate of inflation has consistently outpaced the growth rate in faculty salaries, which was true in each of the past seven years. 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.

Therefore, the Faculty Senate Compensation Committee, with the unanimous support of the Faculty Senate, would like to request the following for consideration for FY24:

- Base salary increase of 4% for all full- or part-time faculty for FY24.
- Begin short-term planning for reinstituting a staff merit pay system in the very near future; perhaps as soon as FY25.
- Development of a succession plan for recruitment and retention of all employee categories.
- Recognize the changes in the scope and responsibilities of the workload for all employees at the university.

Budget Request:

FY24 Request	Estimated Cost
4% base-pay increase for all faculty* and graduate assistants	\$1,503,803

*Full-time RNTT, TT, and Tenured faculty will receive a base increase of 3.5% (87.5% of the 4%). The remaining 0.5% would be used to fund post-professorial merit per the faculty senate handbook.