

TO: Tom Courtway, President
FROM: Janet K. Wilson, Chair, Budget Advisory Committee
DATE: January 17, 2012
RE: Salary reports and ranking of request for FY 13

The Budget Advisory Committee (BAC) met on January 12, 2012 to hear presentations from the Staff Senate Compensation Committee and the Faculty Salary Review Committee, and to rank any salary recommendation relative to the 13 prioritized funding requests presented to the BAC by unit heads this past November. The reports presented by the two committees are attached. As you can see, each group conducted a survey of their constituents during the Fall 2011 term. In their reports, they discuss salary requests relative to FY 13, as well as the following four years. Future salary requests, in addition to the future funding requests presented by the unit heads, will be deliberated on over the next couple of months by the BAC as we work to develop a five-year plan in support of the strategic plan initiatives and in response to the Higher Learning Commission.

Qualifications relative to our recommendation are similar to those accompanying the 13 prioritized funding requests presented in December and will, in part, be restated below:

- 1) We recognize that no new state funds are expected this year, nor in the foreseeable future. Thus, funding for these requests would need to come from increases in tuition, a higher enrollment, private funds, reallocation of existing budgets, and/or a combination of these sources.
- 2) In addition, a decision by Governor Beebe regarding any potential salary freeze for state employees will need to be taken under consideration as to how it might impact UCA and other institutions of higher learning.
- 3) There is no expectation that salary increases will be funded. This is a recommendation and to the extent that monies can be identified (either through a reallocation of current funds or the raising of new monies) salary increases should be considered.
- 4) A task facing the BAC in the Spring 2012 term will be to develop a five-year plan for the funding requests arising out of the November 10th and January 12th meetings. This, too, will be shared with you and the campus at a future date.
- 5) BAC members have read and approved this memo.

While the recommendation for a 2% salary increase is the same for both staff and faculty, the implementation will differ across the two groups in response to survey results of each set of constituents. The following recommendation was supported unanimously by the BAC.

Staff – 2% COLA: The staff members have asked for a COLA raise only for FY 13. While they recognize inequities exist across salaries, they would like to use the next year or two developing a clear procedure to address those inequities.

Faculty – 1.5% COLA and .5% equity and merit: The faculty members have asked for a COLA raise for FY 13, yet would also like to set aside a pool of money to begin addressing salary inequities through equity and merit pay. The faculty members have in place at this time a set of policies and procedures to effectively identify such salary inequities.

In addition to making a salary recommendation for FY 13, the BAC also discussed where the salary recommendation should fall relative to the 13 previously prioritized funding requests. With a vote of 7 in favor and 4 opposed, **the BAC supported the placement of the salary recommendation as second, behind the top ranked Disaster Recovery** submitted by Finance and Administration.