

STAFF SENATE COMPENSATION COMMITTEE PROPOSAL

The Staff Senate Compensation Committee presents this salary proposal to the Strategic Budget Advisory Committee on behalf of classified and non-classified staff at the University of Central Arkansas. This proposal is a continuation of the previous five-year plan, which was initially put forth in the 2012 fiscal year.

2017-2018 COMPENSATION COMMITTEE MEMBERS

Jenna Davidson, Co-Chair
Lesley Graybeal, Co-Chair
Tachia Awbrey
Lori Hudspeth
Karen Pruneda
Marie Smallwood

PURPOSE

The committee's charge is to assess the past year salary proposal and measure results, along with developing a future five-year salary plan. For 2016-2017, the committee recommended a 3% Cost of Living Adjustment (COLA) (See Appendix A for Key Terminology) for both classified and non-classified staff.

CONSIDERATIONS

In May 2017, the university began a study of non-classified staff salary and equity. A survey was sent to division heads and disseminated to supervisors of non-classified staff to include information on equivalent positions at Arkansas institutions and College and University Professional Association (CUPA) data. Institutional Research located average salaries based on the information provided in the surveys. The goal of the survey is to provide an estimate of the funding required to adjust non-classified staff salaries to market levels. The results will then be presented to the Board of Trustees by December 2017.

Classified staff were not included in the salary equity study at this time because they were under the Office of Personnel Management at the time the study was initiated. Since that time, classified staff have been moved to the Arkansas Department of Higher Education, but are still governed under the old state pay plan. Once the Arkansas Department of Higher Education develops a new pay plan for university employees, the university will conduct a separate salary equity survey for classified staff.

PAST UCA SALARY HISTORY

The committee would like to reflect on UCA's recent history of salary increases for each classification of employee.

FISCAL YEAR	CLASSIFIED	NON-CLASSIFIED
2008-09	2%	0%
2009-10	OPM Pay Plan	0% (\$300 bonus 12/2009)

2010-11	88 employees moved to Base Level 7/1/10 2% for remaining classified from 1/1/11	2% for those employed beginning 4/1/10 thru 9/30/10 2.25%
2011-12	0%	0%
2012-13	0% (\$1,000 bonus 9/30/12)	0% (\$1,000 bonus 9/30/12)
2013-14	3% (1-3% Merit Bonus)	3%
2014-15	2% (1-3% Merit Bonus)	2% (2% bonus)
2015-16	1%	1%
2016-17	0% (1.5-4.5% Merit Bonus)	2% (\$500 bonus)
2017-2018	3%*	1.5% planned for 1/1/18

*2% COLA for classified staff was awarded in July 2017 from 2016-2017 funds which were reserved for this purpose. An additional 1% is planned for January 2018.

PROPOSAL

The Staff Senate Compensation Committee proposes the following salary increases over the next five fiscal years:

FISCAL YEAR	UNIVERSITY STAFF	ESTIMATED FUNDS**
2018-2019	3% COLA, 1% Merit/Equity/Recruitment Pool	\$1,630,964
2019-2020	3% COLA, 1% Merit/Equity/Recruitment Pool	\$1,679,893
2020-2021	3% COLA, 1% Merit/Equity/Recruitment Pool	\$1,730,290
2021-2022	3% COLA, 1% Merit/Equity/Recruitment Pool	\$1,782,199
2022-2023	3% COLA, 1% Merit/Equity/Recruitment Pool	\$1,835,665

**Estimated funds were calculated based on total staff salaries of \$31,125,270 for 2017-2018, which includes the 1% COLA for classified staff and 1.5% COLA for non-classified staff planned for January 2018.

RECOMMENDATIONS

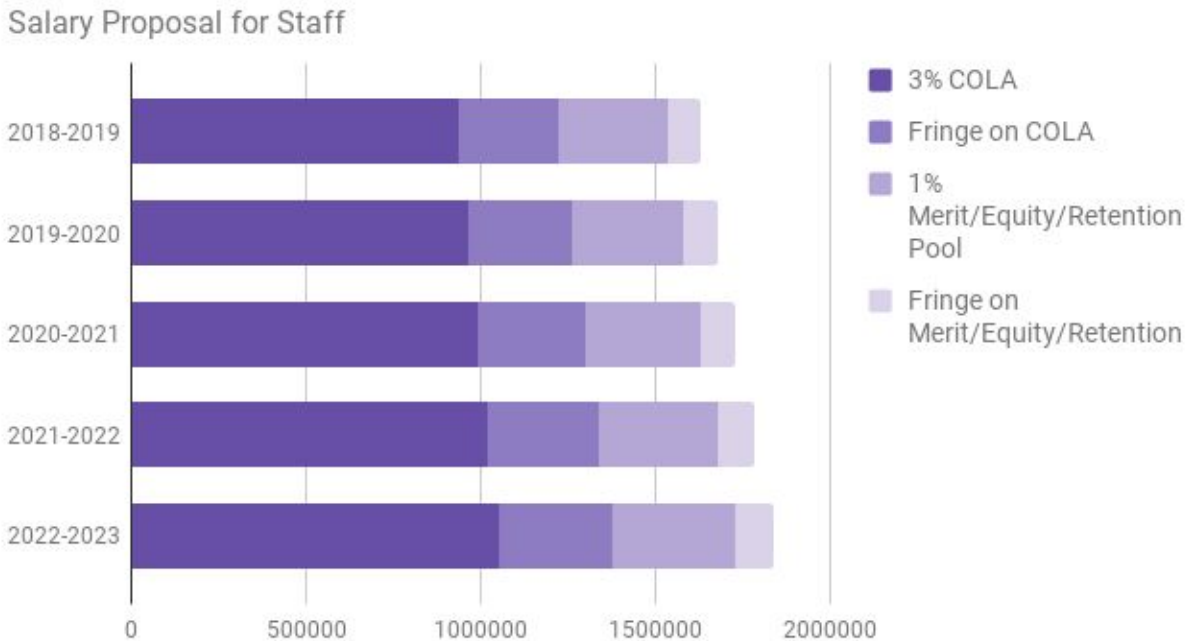
The committee recommends:

- Awarding a 3% COLA for classified and non-classified staff for the next five fiscal years
- Establishing a \$435,000*** merit/equity/recruitment pool for awarding salary increases based on performance evaluations, market salaries, and supervisor recommendations
- Adjusting non-classified staff salaries to market value based on the salary equity study, beginning with employees found to be furthest from the median
- Conducting a salary equity study for classified staff at the earliest opportunity

- Until such time as a new pay plan is available for classified staff, the committee continues to encourage supervisors to pursue reclassification of classified employees as the best avenue for increasing classified staff salaries.

***\$432,951 is the five-year average from 2018-2023 to create a merit/equity/recruitment pool representing 1% of total staff salaries, assuming a 3% COLA beginning in 2018-2019.

FUNDING



The graph above represents the total funds required for our proposals.

CONCLUSION

The 2018 Fiscal Year presents challenges and opportunities related to staff salaries. We appreciate the university's efforts to examine salary equity for staff and present data-driven recommendations to the Board of Trustees for raising staff salaries. While we would like to be able to offer more concrete recommendations regarding equity increases for non-classified staff at this time, we hope that the survey results will provide an opportunity for actionable steps in the near future. Similar efforts are needed to raise salaries for classified staff, who have been excluded from salary increases in the past and continue to be restricted by the old state pay plan. We are also hopeful that the relocation of classified staff under the Arkansas Department of Higher Education will offer more flexibility and new opportunities to raise classified staff salaries to market values. If a new pay plan for classified staff is not available for several years, the committee will continue to advocate for supervisors to pursue reclassification of classified employees to higher-paid positions, following the statewide position cycles, as the best avenue for pay increases for classified staff.

APPENDIX A: KEY TERMINOLOGY

- Cost of Living Adjustment (COLA) – a pay increase of equal percentage for all employees. The purpose of the COLA is to ensure that the purchasing power of an employee’s salary is not eroded by inflation.
- Equity Pay - an increase in pay to address situations where employees with similar roles within the institution are compensated at different levels. This is meant to ensure equal pay for equal work.
- Equity Pool - a “pool” of funds set aside specifically for Equity Pay increases.
- Merit Pay - an increase in pay based on the performance of the employee. These types of increases should be based on a set of criteria established and reviewed during the employee's Annual Evaluation.
- Merit Pool - a “pool” of funds set aside specifically for Merit Pay increases.
- Recruitment Pool - a “pool” to attract and retain qualified employees.