

## STAFF SENATE COMPENSATION COMMITTEE PROPOSAL

The Staff Senate Compensation Committee presents this salary proposal to the university administration on behalf of classified and non-classified staff at the University of Central Arkansas. This proposal begins a new five-year plan.

### 2018-2019 COMPENSATION COMMITTEE MEMBERS

Jenna Davidson, Chair  
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### 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. While the university did not engage in a strategic budgeting process for 2019-2020, the committee conducted a staff salary survey for the first time in over five years to generate some additional insights into staff salary priorities and non-salary opportunities to enhance the work environment for university staff.

### CONSIDERATIONS

#### Market Equity for Non-Classified Employees

Following a 2018 study of non-classified staff salary equity, 17 faculty and 17 staff members received salary adjustments to 78.74% of market value. Institutional Research and Human Resources will complete a non-classified salary and equity study every year. The goal of the survey is to identify the staff positions furthest from the market value and provide an estimate of the funding required to adjust non-classified staff salaries to market levels. The salary study draws from CUPA data and other Arkansas institutions. Because the university does not have the same flexibility to adjust classified staff salaries, classified staff have not been included in the study except in rare cases that have a market rate. Some flexibility may be provided by the new state pay plan for classified employees when adopted.

#### State Pay Plan for Classified Employees

Classified staff have been moved to the Arkansas Department of Higher Education. A new state pay plan is currently being proposed which would allow for more flexibility for new hires within classified staff salaries and potential upgrades for existing positions. The new plan may take effect as early as February 2019. The pay plan will also address the state increase in minimum wage and some of the resulting salary compression.

#### Staff Salary Survey

The Staff Senate administered a Salary Survey in November 2018 to gather input from staff members regarding compensation, including concerns, priorities, and fairness. The complete [Staff Salary Survey Report](#) is available on the Staff Senate website.

- **Top Priorities:** The top three salary priorities of staff were (1) cost of living adjustments, (2) market salary adjustments beginning with those furthest from the target salary, and (3) all staff earning an Arkansas living wage
- **Top Concerns:** The top three compensation-related concerns of staff were (1) salary equity with other institutions, (2) consistency of cost of living adjustments, and (3) employee retention
- **Non-Salary Benefits:** The top three non-salary benefits were (1) employee discounts, (2) flexible work hours, and (3) a flexible work week

The committee also found it noteworthy that 46.8% of respondents either currently worked another job to meet basic needs (28.4%) or had done so in the past (18.4%).

## 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
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% (1.5-4.5% Merit Bonus)	1% (\$500 bonus)
2016-17	0%	2%
2017-2018	2% ( 7/1/17 with funds held in reserve from 2016-2017)  1% (1/1/18)	1.5% (1/1/18)
2018-2019	0%	0%

## RECOMMENDATIONS

### Cost of Living Adjustments

- **The committee recommends a 2% COLA being built into the operating budget beginning in 2019.** The Consumer Price Index has reflected a cost of living increase around 2% since 2016, suggesting the need for consistency in salary adjustments. Respondents to the Staff Salary Survey also expressed that consistency of cost of living adjustments was a top concern.
- The committee also notes that while classified staff received a 2% COLA in July 2017 and an additional 1% COLA in January 2018, the 2% had been intended for the 2016-2017 year. Thus, the additional 1% COLA classified staff received in January 2018 still lags behind the 1.5% received by non-classified employees at the same time. **The committee recommends awarding an additional 0.5% COLA to classified staff** at the earliest opportunity to address this discrepancy.

- We recommend that cost of living adjustments be considered **separately from any adjustments in the new state pay plan** to the salaries of classified staff in C101-C110.

### Merit and Equity Increases

- The committee recommends that the university continue to contribute annually to a pool of funds to make adjustments to salaries based on market values, even if limited funds are available to do so. We recommend that funds from this pool also be made available to upgrade classified positions as opportunities arise.
- The committee supports the university adjusting non-classified staff salaries to market value based on the salary equity study, beginning with employees found to be furthest from the median, and using the study data to set competitive salaries when hiring and promoting staff.
- Given that classified staff are generally not included in the salary study, the committee recommends the establishment of a new formal process for supervisors to review classified employees' duties and positions and request reclassification of employees if warranted. The committee recommends that university administration encourage supervisors to use the flexibility to upgrade classified positions within the new pay plan and pursue reclassification of classified employees as the best avenue for increasing classified staff salaries at this time.

### Non-Salary Incentives for Staff

- Based on the results of the Staff Salary Survey, the committee recommends that Human Resources create a centralized web listing of current **employee discounts** and actively seek out new information on a regular basis about discounts available to staff.
- The committee also recommends that Human Resources and university administration review current policies for allowing **flexible work hours and work weeks** for staff and update as needed to ensure that such flexibility is available to staff across divisions and classifications except where prevented by exceptional circumstances.
- Finally, the committee recommends that Human Resources and university administration review **other non-salary incentives** that staff have expressed interest in through the Staff Salary Survey and continue to institute or expand such programs as resources allow.

### CONCLUSION

As we begin a new five-year plan for staff compensation in a higher education climate that provides limited resources for salary increases, we hope that the feedback received from the Staff Salary Survey can be used to take actions that recognize and address the greatest concerns of staff employees. We appreciate the actions that the university administration and Board of Trustees have taken to move non-classified salaries closer to market values, and we are hopeful that the Arkansas Department of Higher Education's state pay plan will offer more flexibility and opportunities for classified staff and hiring managers. Finally, we look forward to supporting additional innovative practices, such as flexible work schedules, that will continue to make UCA an attractive work environment for talented staff in all areas of our work.

### 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 Increase -- 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.
- Market Equity Increase -- a pay increase intended to bring an employee's salary closer to the market value as determined by research into similar positions at peer institutions and median salaries for positions listed by the College and University Professional Association (CUPA)
- Staff Salary Study -- the study of non-classified staff market salaries conducted by Human Resources and Institutional Research annually beginning in 2016
- Staff Salary Survey -- the survey sent by Staff Senate to all staff employees in November 2018

## APPENDIX B: STAFF SALARY SURVEY REPORT

The full [Staff Salary Survey Report](#) from November 2018 can be found on the Staff Senate website and through the link provided above.