

SENATE ACTION FORM

No. 1224

Subject: Compensation Investment Plan

Reference to Senate Minutes dated: October 25, 2021

Senate Action:

MOTION: Salary Equity – It is moved to endorse the Compensation Investment Plan with the suggested changes.

VOTE: Approved by voice vote.

Response requested:

Approval for placement in University Catalog

Approval for placement in University Regulations

Recommendation to Board for placement in Board Policy Manual

**None (sent as information item)**

Other action requested/comments:

  
\_\_\_\_\_  
Faculty Senate Chair

11/4/2021  
\_\_\_\_\_  
Date

\* \* \* \* \*

Administrative review of Senate action (unnecessary for information items):

Reviewed by **VPAA/Provost**. Check  if comments attached

Reviewed by **General Counsel**. Check  if comments attached

Presidential action:

Approve  Reject  Return to Senate for discussion/modification (comments attached)

\_\_\_\_\_  
President/Designated Administrative Officer

\_\_\_\_\_  
Date

Date of Board approval (if applicable): n/a

**PLEASE RETURN SIGNED ORIGINAL AND ATTACHMENT TO THE FACULTY SENATE OFFICE, CARTER HALL 2004, BOX 75.**  
[Faculty.Senate@unco.edu](mailto:Faculty.Senate@unco.edu)

Attachment to Senate Action #1224  
Approved by the Faculty Senate  
October 25, 2021  
Plan finalized by the Salary Equity Committee on November 1, 2021

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Rowing, Not Drifting 2030

Salary Equity

The *Rowing, Not Drifting 2030* strategic plan was developed with a student-first focus noting that our students will experience a personalized education grounded in liberal arts and infused with critical and creative inquiry; establish relationships with faculty and staff that nurture individual development; gain the skills and knowledge that provide upward mobility among alumni; and share a commitment to the values of inclusion, equity, and diversity. In order to realize this strategic plan, the *Enhance and Invest* institutional priority recognizes that we must provide our faculty and staff with the support they need to succeed as professionals, educators, and in life. Achieving this will contribute to attracting and retaining the high-quality faculty and staff that are essential to providing strong support for our students and creating an environment that is able to put students first. The University strives to foster an environment where the individual well-being and sense of belonging of all members of our community are vital to our collective success.

In pursuit of this goal, President Feinstein and the Faculty Senate suggest that the University strive towards the goal of raising faculty and staff salaries to an average of 100% salary parity with the NCHEMS 51 comparison group within a reasonable period, preferably 5 years. Recent important efforts to balance the budget have meant that UNC faculty and staff did not receive raises for three years (with a recent 3% salary pool that was much appreciated, but not able to make up for the previous three years of no raises). UNC faculty and staff salaries were already very low in comparison to our peer institutions, and three years without raises have meant that our salaries have fallen even further behind. This stagnation of faculty and staff salaries is exacerbated by exponential growth in the housing market and cost of living in Greeley and the surrounding area. Our early-career faculty and staff often cannot buy a house or even afford to rent in Greeley (discussed further below). The success of UNC and our ability to meet the goals outlined in the *Rowing, Not Drifting 2030* strategic plan depend on prioritizing faculty and staff compensation and ensuring that our people stay invested in helping the University accomplish its ambitious goals for a bright future.

National Salary Equity

UNC uses a national comparison peer group to determine salary equity. Our previous comparison group (doctoral all) may not have truly represented our peers, so a new salary comparison group was adopted that more accurately compares our faculty and staff salaries to peer institutions (NCHEMS-51 adopted 2021). Developed in concert with the National Center for Higher Education Management Systems (NCHEMS), fifty-one schools were selected based on criteria such as similarity of enrollment, public status, types of degrees offered, level of degrees offered, Carnegie classification, city size, and region. A comparison of faculty at UNC to similar faculty at matched schools illustrates our low and uncompetitive salaries.

Table 1. Comparison of UNC faculty and staff to peer salaries.

	<b>UNC Median</b>	<b>NCHEMS 51 Median</b>	<b>% of parity</b>
Instructor/Lecturer	\$48,377	\$53,254	90.8%
Assistant Professor	\$57,457	\$74,082	77.6%
Associate Professor	\$64,022	\$84,505	75.8%
Professor	\$82,618	\$106,552	77.5%
Professional Staff	\$51,542	\$57,858	89.1%
Administrators	\$117,509	\$124,145	94.7%

UNC faculty and staff are paid approximately 15% below the national average (i.e., among peer institutions, NCHEMS-51). Low salaries for faculty and staff at UNC represent hundreds of thousands of dollars per individual in lost potential wages over the course of our employees’ careers (roughly \$590,000 less over the course of their lifetimes than individuals at our average peer institutions ([Wilson, 2019](#)), and low, uncompetitive salaries make it difficult for UNC to attract and retain high-quality faculty and staff.

#### Local Factors

The NCHEMS-51 is an important comparison peer group but does not fully address the impact of local cost of living. Greeley’s overall cost of living index is 105.9 with a specific housing index of 127.5. This suggests that living in Greeley costs 5.9% more than the national average and housing 27.5% more than the national average, with the median home cost in Greeley currently at \$370,000. Our starting salaries are pricing new faculty hires out of home ownership. Rental prices are similarly elevated with a modest two-bedroom apartment renting for \$1,278 and a three-bedroom for \$1,642. Local communities (within commuting distance) offer even less affordable housing (e.g. Windsor median home \$506,100; Loveland median home \$434,200; Ft. Collins median home \$487,800). With an estimated 2021 inflation rate of 2.4% (2020, 1.4%; 2019, 2.3%; 2018, 1.9%; 2017, 2.1%), we expect increasing difficulty for faculty and staff to cover housing costs.

The majority of new faculty are hired as Contract Renewable Assistant Professors or Tenure Track Assistant Professors. A sample of entry-level salaries illustrates the difficulty that new faculty experience attempting to live in Greeley.

Table 2: Sample of New Faculty Salaries

<b>Hiring Status</b>	<b>Rank</b>	<b>Salary</b>	<b>Recommended Mortgage</b>
Contract Renewable	Instructor (History)	\$38,000	\$163,867
Contract Renewable	Assistant Professor (Musical Theater)	\$46,350	\$196,714
Tenure Track	Assistant Professor (Criminal Justice)	\$54,500	\$228,775
Tenure Track	Assistant Professor (Teacher Education)	\$55,000	\$230,742
Tenure Track	Assistant Professor (Physics)	\$58,000	\$242,544

As part of the University’s multi-year planning work, we now have an opportunity to establish sustainable practices for providing competitive compensation to recruit and retain faculty and staff to deliver on our promise of transformative education to our students. The Salary Equity Committee recommends prioritizing a

fair and equitable compensation plan that brings UNC faculty and staff salaries to 100% of parity with our NCHEMS51 peer group over the next five years.

There are several possible models for moving UNC faculty and staff salaries to 100% of parity in five years. The models below provide possible scenarios for reaching the goal but do not represent specific recommendations for the administration (Table 3). The Salary Equity Committee understands that the details regarding how to reach this goal will take significant discussion across the UNC campus.

Three possible scenarios:

- (1) moving to 100% of parity all at once in year 1, with 1.5% increases in subsequent years to maintain parity
- (2) front-loaded with 6% salary increases for the first three years, at which point we will get to 100% of parity, and 1.5% increases in years 4 and 5 to maintain parity
- (3) 4.5% increases per year in each of the next five years to reach 100% of parity in five years. A detailed breakdown of how scenario #3 impacts UNC faculty and staff salaries is presented in Table 4.

Table 3. Cost of salary increases in three possible scenarios

5 Year Annual Cost Summary (including fringe)								
Scenario		FY22	FY23	FY24	FY25	FY26	FY27	Total
#1: All at Once	Annual Increase	\$ -	14,334,115	2,237,764	2,281,453	2,326,101	2,371,731	23,551,164
#2: 6 - 6 - 6	Annual Increase	\$ -	6,086,209	6,431,727	6,797,386	2,333,031	2,378,765	24,027,117
#3: 4.5 x 5	Annual Increase	\$ -	4,728,448	4,931,400	5,143,191	5,364,209	5,594,860	25,762,108
<b>Assumptions</b>								
UNC increases salaries 4.5% every year								
Classified increases at 3% annually, not included in peer comparison								
Peers increase salaries at 1.5% annually								
Fringe benefits on salary increase is 34%								

Table 4. Detailed information about faculty and staff salaries in comparison to peers with scenario #3 (4.5% increases per year in each of the next five years)

FY22 Compensation Investment Proposal : Rowing Not Drifting Action #8													
Draft #2 9/17/21													
		Five-Year Projection											
		Current Year (FY22)		FY23		FY24		FY25		FY26		FY27	
		Total Salary	% of Peers	Total Salary	% of Peers	Total Salary	% of Peers	Total Salary	% of Peers	Total Salary	% of Peers	Total Salary	% of Peers
<b>Faculty</b>													
	UNC	32,521,898	86.7%	33,985,383	89.2%	35,514,726	91.9%	37,112,888	94.6%	38,782,968	97.4%	40,528,202	100.3%
	NCHEMS51	37,519,495		38,082,287		38,653,521		39,233,324		39,821,824		40,419,151	
<b>Professional Admin Staff</b>													
	UNC	35,028,417	89.6%	36,604,696	92.3%	38,251,907	95.0%	39,973,243	97.8%	41,772,039	100.7%	43,651,781	103.7%
	NCHEMS51	39,089,853		39,676,200		40,271,343		40,875,414		41,488,545		42,110,873	
<b>Classified Staff</b>													
	UNC	16,297,606		16,786,534		17,290,130		17,808,834		18,343,099		18,893,392	
	NCHEMS51	N/A		N/A		N/A		N/A		N/A		N/A	
Annual Salary Increase				3,528,692		3,680,150		3,838,202		4,003,141		4,175,268	
<b>Total Annual Increase with Fringe</b>				4,728,448		4,931,400		5,143,191		5,364,209		5,594,860	
<b>Assumptions</b>										<b>Five-Year Total</b>		<b>25,762,108</b>	
UNC increases salaries 4.5% every year													
UNC increase classified salaries 3% every year													