SENATE ACTION FORM

No. 1097

Subject: Salary Equity Committee Resolution: Faculty Salary Distribution Model (FY 2016)

Reference to Senate Minutes dated: May 4, 2015

Senate Action:
RESOLUTION: The Salary Equity Committee recommends approval of the faculty pay distribution model presented for FY 2016 compensation (see attachment).
VOTE: The motion passed unanimously.

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)

X other action requested/comments: Information item/administration endorsement

Jack Tomlinson

Faculty Senate Chair

May 4, 2015

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): __________________________

PLEASE RETURN SIGNED ORIGINAL AND ATTACHMENT TO THE FACULTY SENATE OFFICE, BOX 75.
Salary Equity Committee Motion: The Salary Equity Committee recommends approval of the following faculty pay distribution model for FY 2016.

From Marshall Parks

In 2012 we created our Compensation Identity Plan, one of the nine core plans, in which we articulated a multi-year approach to compensation. To realize this compensation identity, we set a five-year goal (to be accomplished by FY17) of moving UNC salaries to 90% of the average salaries of institutions in our identified peer group. In FY13, FY14 and FY15, our Board of Trustees made meaningful investments toward this goal. During that time, we moved our average faculty salary from 82.7% to 89.5% of the NCHEMS CUPA average salary.

Faculty Pay Distribution Models for FY16
As we continue our commitment to the Compensation Identity Plan, we will use the distribution model presented below for FY16. The 3% pool amounts are estimates and will be finalized in May when we pull data for the compensation plans. We will continue the practice we began in FY15 of basing our distribution model on market triggers. The farther we are from market parity, the more we will invest in parity. As we approach or exceed our parity target, we will allocate more money to MOE.

<table>
<thead>
<tr>
<th>FY 16 Faculty Model</th>
<th>3% Pool</th>
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</thead>
<tbody>
<tr>
<td>MOE – 1.5%</td>
<td>60%</td>
</tr>
<tr>
<td>Parity</td>
<td>30%</td>
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<tr>
<td>Provost Discretion</td>
<td>5%</td>
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<td>Compression</td>
<td>5%</td>
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<tr>
<td><strong>Total before Promotions</strong></td>
<td><strong>100%</strong></td>
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<tr>
<td>Promotions</td>
<td></td>
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<tr>
<td><strong>Total Distribution</strong></td>
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