

## SENATE ACTION FORM

No. 1267

**Subject:** Faculty Senate Resolution on Budgetary Realignment

**Reference to Senate Minutes dated:** 12/9/24

### Senate Action

MOTION: Approve the resolution as an informational item

VOTE: Motion passed with 15 votes in favor, 5 opposed, and 4 abstained

### Response requested:

\_\_\_\_\_ Approval for placement in University Catalog, Undergraduate and Graduate

\_\_\_\_\_ Approval for placement in University Regulations

\_\_\_\_\_ Recommendation to Board for placement in Board Policy Manual

**X** **None (sent as information item)**

\_\_\_\_\_ Other action requested/comments:



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

12/10/24

\_\_\_\_\_  
Date

\* \* \* \* \*

\* \*

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

\_\_\_\_\_ Reviewed by **VPAA/Provost**. Check \_\_\_\_\_ if comments are attached.

\_\_\_\_\_ Reviewed by **General Counsel**. Check \_\_\_\_\_ if comments are 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, CARTER HALL 2004, BOX 75.**

[Faculty.Senate@unco.edu](mailto:Faculty.Senate@unco.edu)

## **FACULTY SENATE POLICY PROPOSAL/MOTION**

**Subject: Faculty Senate Resolution on Budgetary Realignment**

**Originator/Date: Salary Equity Committee**

**Placement(s): None. To be sent as an information item to the university administration**

**Reviewed by Salary Equity Committee: 11/18/2024**

**Purpose/Rationale:** This resolution calls attention to trends in faculty and staff compensation and argues for a realignment of university budget priorities and the adoption of new processes to address the growing disparities between faculty and staff salaries at UNC. There is a growing imbalance in the proportion of the UNC budget allocated to administrative costs versus instructional resources. While we understand that market forces are responsible for some of this trend, we argue that the central purpose of all universities is to educate the next generation of students. As such, faculty are vital to the university's mission, directly supporting student success through high-quality instruction, mentorship, and research. Faculty salaries should rise at similar rates to those of staff so that we're all rowing together and in the same boat.

Recent trends indicate a substantial reallocation of UNC resources away from faculty compensation and towards administrative/staff compensation. Since FY19, the budget for faculty salaries decreased by 16%, while the budget for staff salaries increased by nearly 19%. Faculty salaries per FTE increased by an average of 11.5%, while staff salaries per FTE increased by 28.2%. Historically, faculty have been significantly underpaid in comparison to peers, and while UNC has made efforts to bring up faculty salaries in recent years (including an allocation of additional funds for faculty salary increases in FY25 that the administration identified in response to faculty concerns), faculty compensation remains below parity (with most faculty at 92.5% of parity with our peer institutions). Under-market salaries are particularly problematic given Greeley's high cost of living (we have the sixth highest cost of living of our 51 peer institutions). Low faculty pay creates recruitment challenges, as competitive salaries are crucial for attracting high-quality faculty to support UNC's mission of providing a student-centered, high-quality instruction. Both faculty and staff at UNC deserve to be paid a competitive, livable wage.

As the number of students UNC serves has fallen, it is logical to decrease the number of faculty and staff on our campus. However, while student FTE has decreased by 33% and faculty FTE has decreased by 25% since FY19, mid- and upper-level (director and above) administrative FTE has increased by 5%, and senior (senior/executive director and above) administration FTE has increased by 21% (see Table 2).

The Faculty Senate calls for targeted compensation adjustments to address the recently increasing pay gap between faculty and staff. We also request that clear processes be adopted university-wide to ensure transparency in hiring, discretionary pay increases, and other compensation increases (these process documents are already under development in conjunction with the provost's office, which we acknowledge and appreciate). Finally, we ask that in future budget planning, an effort be made to increase faculty and staff salaries at the same rate. By calling attention to these budget trends and offering suggestions for ways to address these issues, the Faculty Senate aims to foster a sustainable, mission-aligned approach to resource allocation that supports academic excellence and strengthens the university's commitment to its core educational mission.

## **Faculty Senate Resolution on Budgetary Realignment**

### **Resolution to Address the Growing Disparity Between Instructional and Administrative Costs in the University Budget and Prioritize Mission-Critical Roles**

**Whereas**, the University of Northern Colorado (UNC) is dedicated to its *Rowing, Not Drifting 2030* strategic plan, prioritizing a student-first mission with high-quality instruction, mentorship, and academic excellence at its core, as well as investing in faculty sense of well-being and belonging; and

**Whereas**, UNC's mission fundamentally depends on faculty members, who directly impact student success, academic engagement, and community development; and

**Whereas**, recent trends show a disproportionate increase in spending on administrative personnel relative to faculty and instructional resources, leading to financial shifts that are likely to contribute to tuition increases; and

**Whereas**, the Faculty Senate acknowledges that recent annual salary adjustments have reduced—but not fully closed—the disparity between UNC faculty salaries and those at peer institutions, particularly as the high cost of living in Greeley (104.3 cost of living index and 126.8 housing index) affects recruitment and retention efforts; and

**Whereas**, UNC is committed to achieving salary parity with peer institutions to ensure competitive faculty pay and support its academic mission, but low salaries hinder recruitment and retention, as qualified applicants may be discouraged by below-median compensation and faculty may leave for better-compensated opportunities; and

**Whereas**, the compensation gap between faculty and staff has grown significantly since FY2019, which contributes to continuous budget challenges; and

**Whereas**, achieving 100% faculty salary parity with peers will require a targeted base pay increase of \$2.4 to \$2.9 million, representing a modest fraction of the millions of dollars in staff compensation increases over the last five years, an investment necessary to attract and retain high-quality faculty; and

**Whereas**, UNC's Board Policy Manual Section 1-1-201(5) specifies that 55% of the budget should be allocated to Instruction, which emphasizes that instruction is the primary function of a University;

**Therefore, be it resolved that:**

1. **UNC Realign Budget Priorities Toward the Core Academic Mission:** The Faculty Senate urges the administration to realign budget priorities to support instructional resources and student-focused initiatives, addressing imbalances created by rising administrative costs to protect the university's ability to provide accessible, high-quality education.
2. **Equitable Adjustments to Address Pay Gap:** The Faculty Senate recommends implementing differentiated salary increases for faculty to compensate for the recent imbalance in faculty and staff compensation. Once adjusted, future salary increases should be applied equitably across faculty and staff to prevent further inequity.
3. **Transparent Policies on Hiring to Support Instructional Priorities:** The Faculty Senate calls for the development of transparent policies that codify the criteria and processes for hiring faculty

and staff, ensuring that instructional roles are prioritized to support UNC's commitment to academic excellence.

4. **Clear Policies for Discretionary Salary Increases:** The Faculty Senate requests the establishment of transparent guidelines for discretionary salary increases to ensure fair and mission-aligned application across both faculty and staff, with clear prioritization of roles that directly support student outcomes.
5. **Assessment of Current Budget Alignment with Board Policy Manual Guidelines:** The Faculty Senate requests a transparent assessment of current budget allocations in relation to Board Policy Manual guidelines, which emphasize that the primary focus of the budget should be Instruction.
6. **Formal Endorsement of Realignment Efforts:** The Faculty Senate formally endorses this resolution as a critical measure to ensure that UNC's resource allocation upholds its commitment to academic quality, student success, and mission-aligned growth, safeguarding the institution's future by refocusing on its core mission.

## Background Information for the Faculty Senate Resolution

### Summary of Compensation Analysis Between Staff and Faculty

**Highlights:** This document highlights the urgent need to prioritize faculty compensation to sustain UNC's core mission, retain high-quality faculty, and achieve parity with peer institutions.

- **Core Mission Alignment:** The university's primary mission is to provide high-quality education and foster student success through teaching, mentorship, and research. Faculty are at the core of this mission, directly influencing academic quality and student outcomes. Faculty are essential to personalized student mentorship and quality education, and competitive compensation ensures we can attract and retain high-caliber educators.
- **Shifting Resource Allocation:** Recent trends indicate a significant reallocation of resources away from faculty and toward administrative and staff compensation. This shift impacts instructional capacity and creates a misalignment of the budget with the university's core educational priorities.
- **Exponential Growth in Compensation Gap:** Since FY2019, the gap between staff and faculty pay has widened sharply, showing an exponential increase (see Figure 1). This growing disparity reveals an institutional emphasis on administrative support at the expense of faculty resources.
- **Administrative Expansion vs. Faculty Reduction:** While faculty and staff FTE initially decreased in response to shrinking student enrollment, administrative roles have recently expanded in both headcount and compensation despite the decline in student enrollment (see Table 2). This pattern suggests a strategic shift toward growing non-instructional functions within the university.
- **Potential Implications for Quality and Sustainability:** The growing imbalance between faculty and administrative resources raises concerns about the sustainability of this model.

Immediate prioritization of faculty compensation, and implementation of policies that examine hiring and discretionary pay increases to standardize these practices across faculty and staff is essential to fulfilling UNC's core mission and strategic goals. Without corrective action, the widening gap between faculty and staff pay threatens the sustainability of the university's educational quality and student success.

**Table 1: Staff vs. faculty compensation and gap**

FY	Faculty Pay (Million \$)	Exempt Staff Pay (Million \$)	Classified Staff Pay (Million \$)	All Staff Pay (Million \$)	Sodexo Impact (add to staff pay)	UNC COM Impact (subtract from staff pay)	Staff vs. Faculty Pay Gap (Million \$)	UG and GR Student FTE	Faculty FTE	All Staff FTE	Faculty Pay per FTE	All Staff Pay Per FTE
2012	37.4	21.4	18.6	40.0	Note: Dining Services staff expense/ compensation was outsourced to Sodexo in FY2023.		2.6	10524	556	837	\$67,266	\$47,790
2013	40	23.3	18.9	42.2			2.2	10398	568	859	\$70,423	\$49,127
2014	42.9	25.2	19.5	44.7			1.8	10016	591	884	\$72,589	\$50,566
2015	43.9	26.8	19.7	46.5			2.6	10383	583	889	\$75,300	\$52,306
2016	44.4	28.6	18.8	47.3			2.9	10425	590	902	\$75,254	\$52,439
2017	43.9	29.4	19.3	48.7			4.8	10803	587	935	\$74,787	\$52,086
2018	46.8	30.6	18.9	49.5			2.7	10959	618	941	\$75,728	\$52,604
2019	46.9	29.9	18.8	48.7	This is the estimated staff salary reported as non-personnel expenses.	UNC COM is supported by foundation funds and is budget neutral.	1.8	10197	600	840	\$78,167	\$57,976
2020	43.5	28.3	18.0	46.3			2.8	9775	559	787	\$77,818	\$58,831
2021	40.4	28.9	15.5	44.4			4	8724	507	724	\$79,684	\$61,326
2022	39.4	32.2	14.1	46.5			7.1	7850	490	729	\$80,408	\$63,786
2023	38.9	36.9	15.6	52.6	3.2	0.4	13.7	7065	462	761	\$84,199	\$69,093
2024	39.6	41.1	16.1	57.2	3.4	0.6	17.6	6815	453	780	\$87,417	\$73,336
2025	40.8	41.5	17.3	58.8	3.5	1.4	18.0	6663				
% FY 19-25	-13%	39%	-8%	21%			902%	-35%	-25%	-7%	12%	26%

Source: UNC Annual Budget Reports (June Book) and Census Enrollment Reports

- **Decline in Faculty Pay vs. Increase in Staff Pay:** Over the period of FY19 and FY25, the aggregate faculty compensation has decreased by 13%, while combined staff compensation has increased by 21%, driven by the exempt staff compensation increase of 39%.
- **Acceleration of the Pay Gap:** The gap between faculty and staff pay has grown exponentially, increasing by 902% from \$1.8 million in FY19 to \$18 million by FY25. This rapid growth signals an accelerating divergence in compensation trends, disadvantaging faculty significantly each year.

**Table 2: Trends in administrations vs. faculty FTE/compensation**

	Upper Administration (Senior/Executive Director and Above - Excluding UNC COM)			Mid-Level and Upper Administration (Director and Above - Excluding UNC COM)			Faculty			UG and GR Student
	Count	Salary (Millions \$)	Average per person	Count	Salary (Millions \$)	Average per person	FTE	Salary (Millions)	Average per FTE	FTE
FY2015 (reference)	42	\$5.8	\$137,381	115	\$10.7	\$92,609	591	\$43.9	\$74,281	10383
FY2019	52	\$7.4	\$142,308	129	\$12.7	\$98,682	600	\$46.9	\$78,167	10197
FY2020	49	\$6.9	\$141,633	117	\$11.5	\$98,376	559	\$43.5	\$77,818	9775
FY2021	50	\$7.4	\$147,400	124	\$12.5	\$100,726	507	\$40.4	\$79,684	8724
FY2022	43	\$6.4	\$149,535	104	\$10.70	\$102,885	490	\$39.4	\$80,408	7850
FY2023	61	\$9.5	\$156,066	138	\$15.60	\$113,043	462	\$38.9	\$84,199	7065
FY2024	63	\$10.2	\$161,587	136	16.33	\$120,074	453	\$39.7	\$87,638	6815
<b>% Change FY15-24</b>	<b>50%</b>	<b>76%</b>	<b>18%</b>	<b>18%</b>	<b>53%</b>	<b>30%</b>	<b>-23%</b>	<b>-10%</b>	<b>18%</b>	<b>-34%</b>
<b>% Change FY19-24</b>	<b>21%</b>	<b>38%</b>	<b>14%</b>	<b>5%</b>	<b>28%</b>	<b>22%</b>	<b>-25%</b>	<b>-15%</b>	<b>12%</b>	<b>-33%</b>

Source: Faculty Senate's Faculty, Exempt Staff, and Classified Staff Compensation Outcome Reports

- **Rapid Growth in Administration:**

- From FY19 to FY24, Upper Administration headcount increased by 21%, with salaries growing by 38%. Mid-Level and Upper Administration combined saw a 5% rise in headcount and a 28% increase in salary expenditures.
- Over the past decade (FY15-FY24), the Upper Administration headcount has grown by 50%, with a 76% increase in salaries. Mid-Level and Upper Administration increased by 18% in headcount and 53% in salary expenditures.

- **Declining Faculty Resources:**

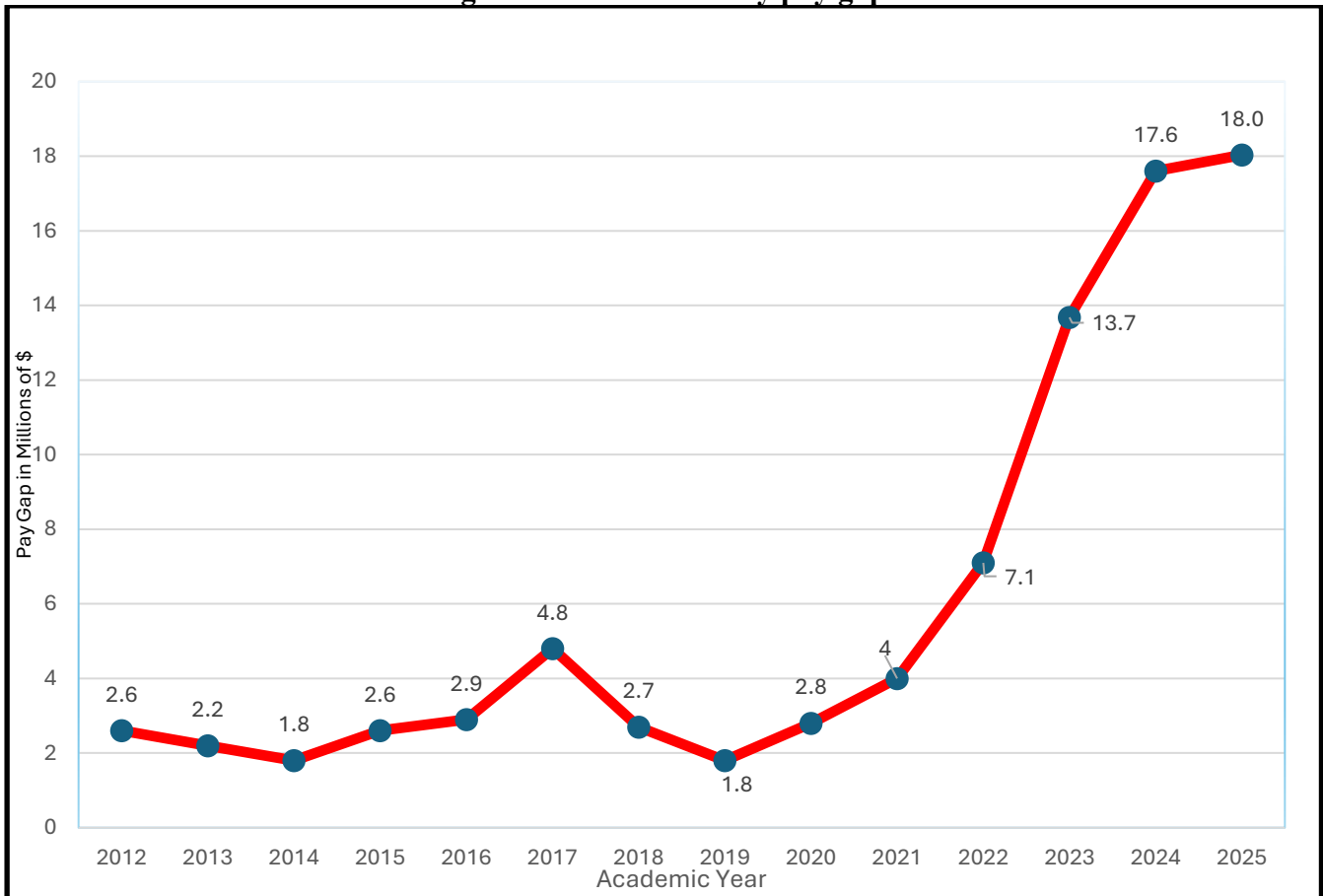
- From FY19 to FY24, Faculty Full-Time Equivalents (FTE) dropped by 25%, accompanied by a 15% decline in faculty salary budgets.
- Over the past decade (FY15-FY24), Faculty FTE declined by 23%, and total faculty salaries decreased by 10%. Even though faculty salaries per FTE rose slightly (18%), the overall budget allocated to faculty has decreased as headcount reductions counterbalance salary adjustments.

- **Declining Student Enrollment:**

- Student FTE decreased by 33% from FY19 to FY24 and by 34% from FY15 to FY24.

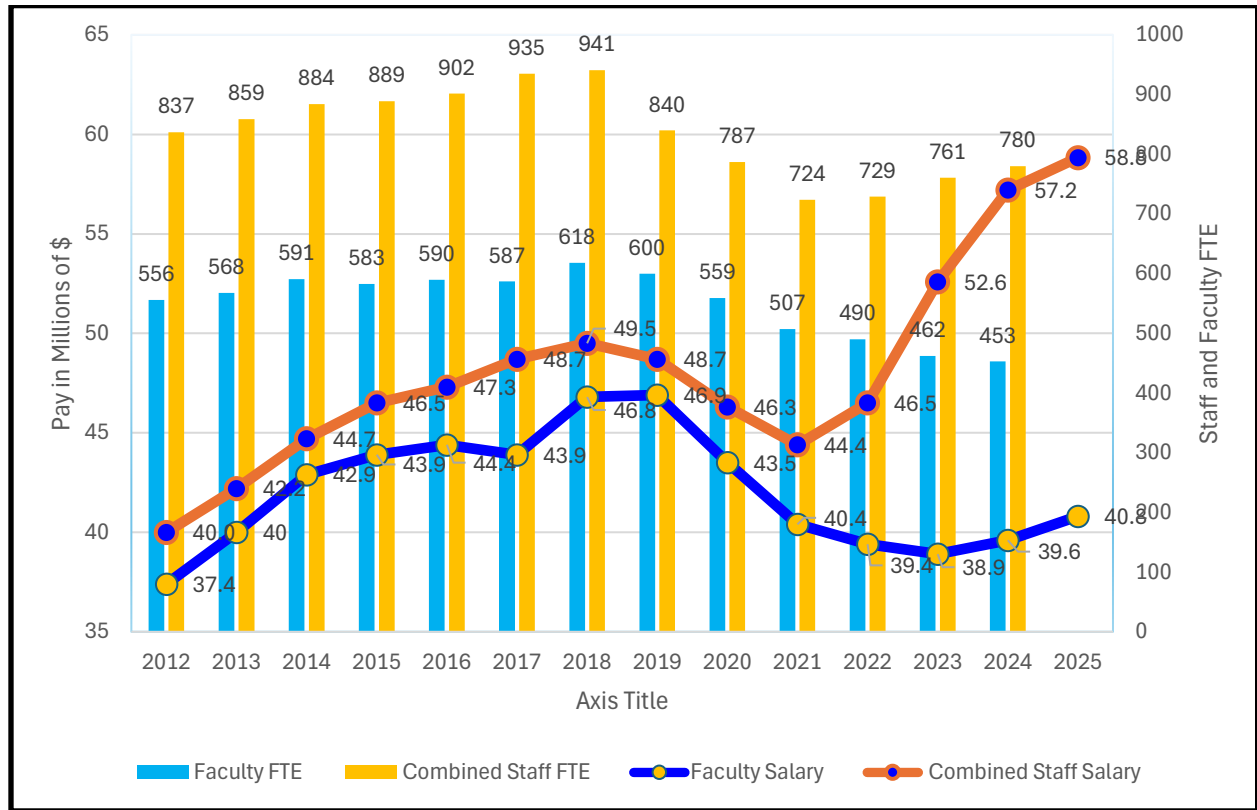


**Figure 1: Staff vs. faculty pay gap**

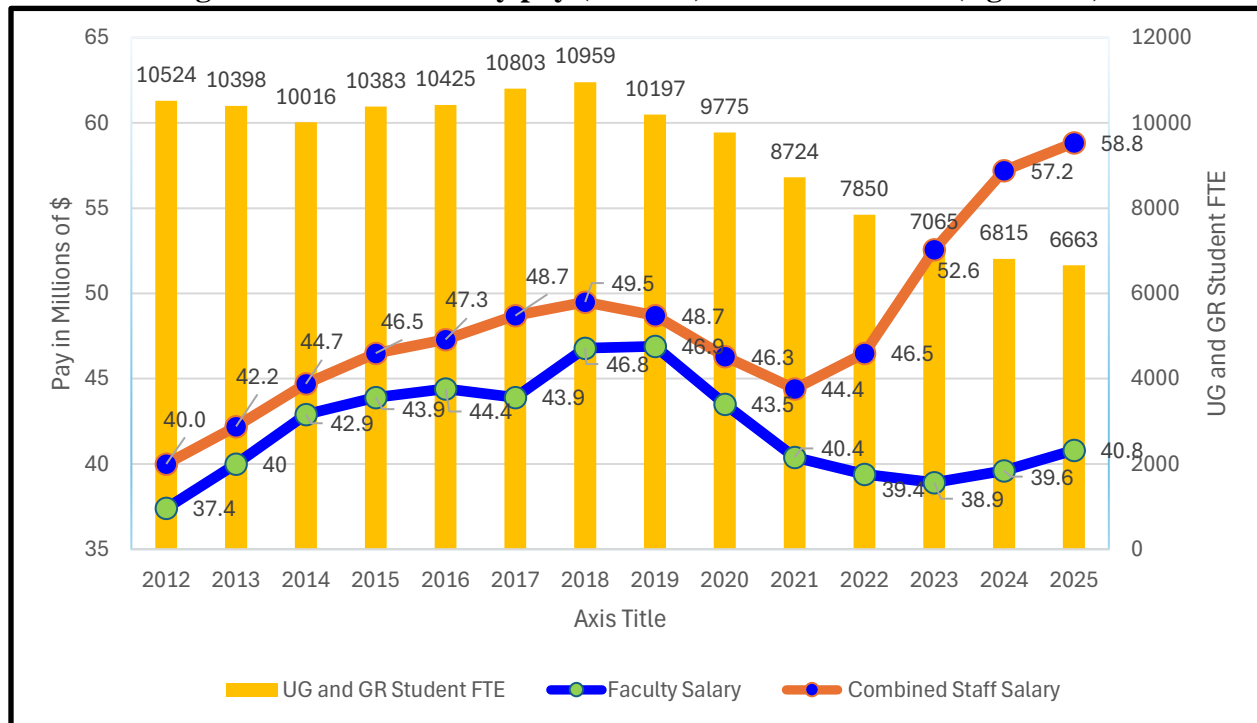


- **Exponential Growth in Pay Gap:** The graph shows an accelerating increase in the pay gap between staff and faculty, with the gap widening more sharply in recent years. This trend suggests an increasingly disproportionate allocation of resources favoring staff compensation over faculty.
- **Notable Shift Around FY23-FY24:** There appears to be a marked shift in the trajectory of the gap starting around FY2023, where the rate of increase in the pay gap becomes steeper.
- **Implications for Future Equity Initiatives:** The graph underscores the urgent need for interventions to address this growing disparity. Without corrective measures, the gap is likely to continue expanding, challenging efforts toward equity and potentially affecting faculty recruitment, retention, and morale.

**Figure 2: Staff vs. faculty pay (left axis) and their FTE (right axis)**



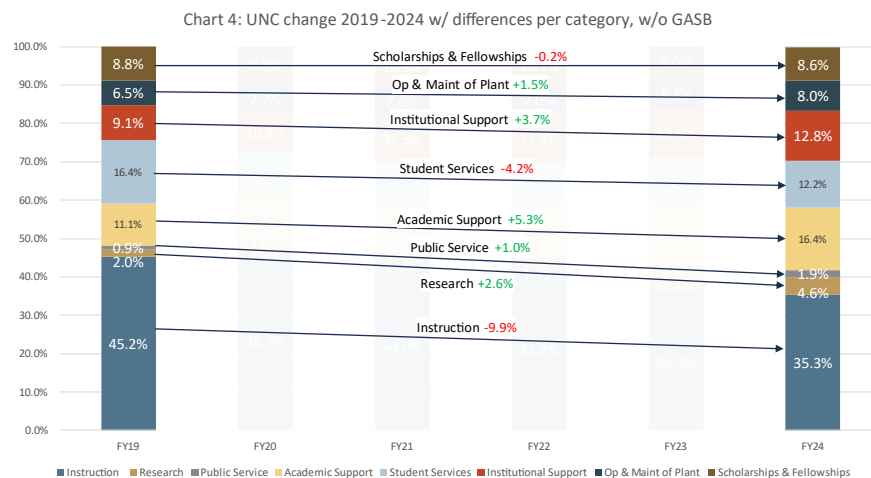
**Figure 3: Staff vs. faculty pay (left axis) and student FTE (right axis)**



- **Diverging Compensation Trajectories:** Figure 2 shows staff pay rising steadily while faculty pay remains relatively stagnant or declines, creating a widening compensation gap. This divergence, especially when viewed alongside employee FTE trends, highlights a disparity in resource allocation favoring staff.
- **Increasing Staff Pay Despite Declining Student Enrollment:** The steady rise in staff pay, even as student FTE declines (Figure 3), suggests a decoupling of administrative spending from the reality of student population size.
- **Resource Allocation Shift Toward Administration:** With faculty FTE and pay decreasing and staff compensation increasing, the data points to a shift in priorities and resources toward administrative roles.

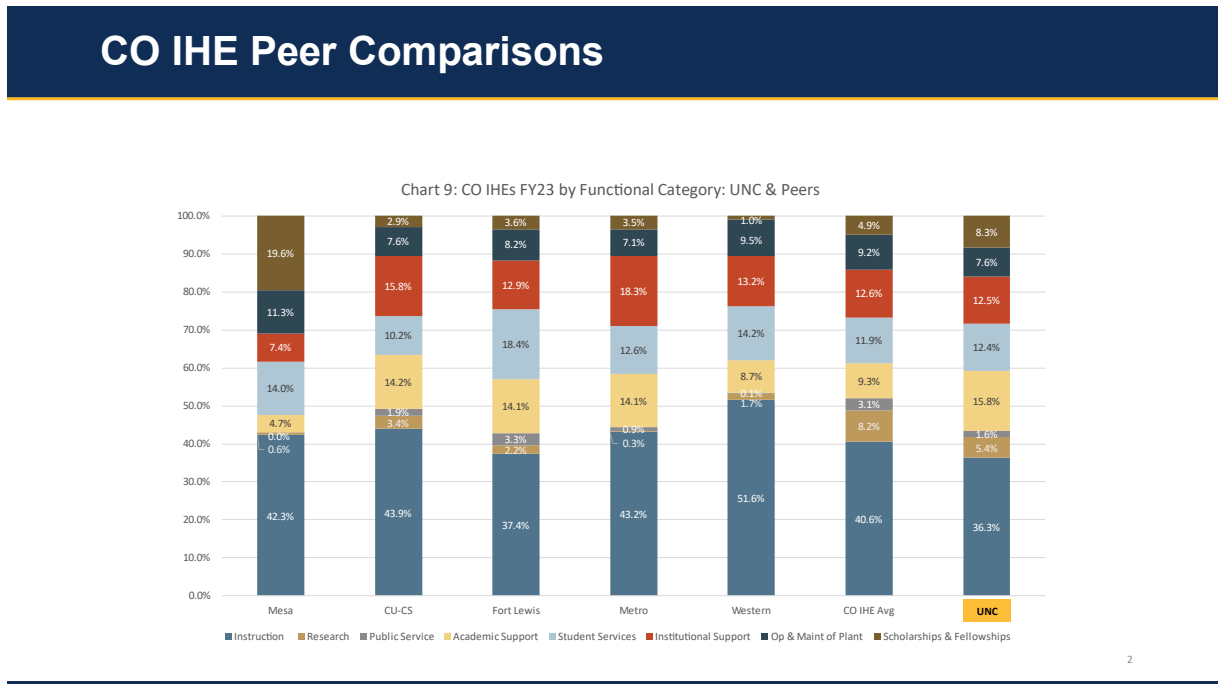
**Figure 4: Changes in Budget allocation between Instruction and others FY19-24**

## UNC Historical Data



- **Instructional Spending Declines:** The allocation for Instruction has seen the largest percentage decline since FY19, indicating a shift away from funding core academic functions.
- **Student Services Impacted:** Budget allocation for Student Services, critical for supporting student success, has also decreased significantly during this period.

**Figure 5: Instruction as a percentage of the total budget for UNC vs. peers (FY223)**



- **Lowest Instructional Allocation:** Among peer institutions, UNC dedicates the smallest percentage of its total budget to instruction, highlighting a critical misalignment with its core educational mission.

Overall, the data reveals a widening gap in compensation growth between faculty and staff, reflecting an institutional shift toward administrative expansion. This trend, if unaddressed, risks compromising the university’s core mission to deliver high-quality education as faculty resources continue to diminish relative to administrative growth. The growing imbalance, with administrative staff pay and FTE more favorably maintained while faculty compensation and resources decline alongside student FTE, underscores the need for a more balanced approach to resource allocation.

Therefore, it is essential to address the growing pay disparity between administrative staff and faculty and commit to achieving faculty pay parity.

- Competitive faculty compensation is essential for UNC to fulfill its student-first commitment. Faculty are central to providing the quality education, mentorship, and personalized support that drive student success and embody the university’s mission.
- Greeley’s high cost of living index (104.3) and housing index (126.8) surpass our peer institutions’ median index (86), creating substantial financial challenges for faculty. This affordability gap affects recruitment and retention, as new hires may opt for lower-cost locations with similar or better compensation.

- We are currently in year four of the five-year plan that the administration committed to in order to get all faculty to 100% of parity, and yet faculty salaries are at only 92.5% of peer parity, making it unlikely UNC will reach 100% parity by FY2026, as planned, without immediate action.
- Achieving 100% faculty salary parity with our peers will require an estimated faculty base pay increase of \$2.4 to \$2.9 million, representing just 13.3% to 16.1% of the FY25 pay gap or 3.7% to 4.5% of the cumulative pay gap accrued over the past six years. This investment is both essential and feasible to attract and retain quality faculty aligned with our mission and strategic goals.

To preserve UNC's commitment to academic excellence, an immediate, balanced review of compensation policies is necessary to address faculty salary gaps, ensure alignment with strategic goals, and create a sustainable path forward.