

9-13-05

MEMORANDUM

TO: All Deans & Directors
Academic Division

FROM: James LeRoy Smith
Provost & Vice Chancellor for Academic Affairs

DATE: September 7, 2005

SUBJ: Academic Salary Increases, 2005-2006

The Office of the President has provided policies and procedures for administering academic salary increases for 2005-2006. You have received by email a copy of the memorandum in which these policies were conveyed.

There is an appropriation this year to the Board of Governors for academic salary increases for 2005-2006 by the General Assembly of a pool of \$850 per position, or 2%, whichever is greater. Policies governing the use of these funds are detailed below in this document. The Board of Governors has determined that other funds available to the institution from appropriate unfilled positions, grants, or endowed income may be used to award increases to faculty and non-faculty EPA employees based on merit, market, and equity issues. Please refer to Dr. Bataille's memo, pages 3 and 5, for a description of equity.

Salary increases must be limited to addressing particular issues such as promotion increases, equity at a particular rank, merit, and market factors. Excellence in performance is a necessary condition for any salary adjustment for merit or market considerations. No such salary increases may be given to low-performing employees. Vacant positions should not be reduced below the annual rate needed for new hires.

Increases apply to permanent, continuing employees (faculty, non-faculty EPA employees, and senior academic and administrative officers) who will be continuing in service in 2005-2006. Salary increases do not apply to persons separated from institutional service whose last workday was prior to July 1, 2005. Payroll checks issued after July 1, which represent payment of services provided prior to July 1, shall not be eligible for salary increases.

INCREASE ALLOCATION INFORMATION

Salary funds distributed to EPA employees shall include \$850 (or proportional share based on FTE) as a minimum. The following exceptions may be made:

- 1) New EPA employees hired for 2005-2006 are exempt from this provision;
- 2) EPA continuing employees who have had salary increases because of retention, equity, or new assignments for 2005-2006 are exempt from this provision; and
- 3) EPA employees who have fixed-term contracts that have established 2005-2006 salaries are exempt from this provision.

However, unit heads must consider re-employed fixed-term personnel who are subject to legislative revision for all possible increases as herein defined and must not use inclusion of a salary amount in a 2005-2006 contract for purposes of accruing for other uses the excluded percentages on such personnel's 2004-2005 salary base. Not all fixed term faculty may qualify for merit, but they must not be ruled out by a unit head by class action.

All salary increase funds above \$850 (or a pro-rata amount for permanent, part-time EPA employees) shall be used only to address primarily merit with secondary considerations for market and equity (including gender equity) issues.

The university has imposed a campus-based tuition increase. The use of these funds must be based on plans submitted and approved by the President and the Board of Governors. The ECU plan states the purpose of such funds is "to ensure that the University will be competitive in recruiting and retaining the high quality of personnel needed to fulfill its educational mission to the state." The dollars are being allocated to the deans to reward and retain our excellent faculty members, and to bring higher quality faculty members' salaries to market level where they are lacking. These funds may not be used for across-the-board or general merit purposes. These funds are budgeted and can be used only for 1310 (instructional faculty).

Among the factors to consider are rank-by-rank comparisons, by discipline, of our average salaries to those of the peer institutions with whom we are compared by the Office of the President. The ECU Office of Planning, Institutional Research, and Effectiveness (IPRE) provided a report of 2004-2005 CUPA faculty salary data to you in early June (your copy was provided in color), along with the ECU faculty salary study prepared by IPRE identifying those faculty whose salaries were more and less than one standard deviation from the mean salary by rank. The CUPA report is available on the IPRE web site: <http://www.ecu.edu/ipre/facultySalary/Cupa04-05.pdf>. You will note that the CUPA salary comparison report includes columns for average faculty salaries of UNC, public doctoral, and OP-defined peer institutions. You are encouraged to review all of these data before making your salary recommendations.

Of course, salaries below expected averages due to performance-based reasons do not merit adjustment. Dr. Gretchen Bataille, Senior Vice President for Academic Affairs of the Office of the President states, "Exceptional performance is a necessary condition for any salary adjustments based on merit during a time when funds are limited." Obviously, none of you will receive enough money to fix the equity (gender and otherwise), compression, and market needs in all areas, and, as always, you will need to target carefully your usage of these funds.

What follows is specific information for you regarding your total allocation including the state appropriation, campus-based tuition, and other funds from the University to provide an average salary increase of 3%.

TOTAL AMOUNT OF FUNDS AVAILABLE TO YOU	
1110	
1310	
(School/Department)	\$(Amount)

As noted above, information from Gretchen Bataille, Senior Vice President for Academic Affairs in a memo of August 29, has been distributed to you for additional general information. Note especially the "Principles for Salary Adjustments," and in particular Principle 2.d. that calls for involvement of the faculty in discussions of the salary adjustment process and in establishing criteria for merit within the unit. I assume that these discussions have occurred as part of your unit code deliberations over the years. If that has not occurred in your department or school, that activity should commence in the fall semester. Faculty recommendations to the unit head on the meaning of meritorious faculty performance have been called for by the Office of the President for years. Clearly, we should have complied with that directive and must, if and where we have not done so.

Salary increases from state funds for employees who are paid in part from non-state funds shall be provided from appropriations only to the extent of the proportionate salaries paid from the General Fund. No salary increase funds shall be used to establish new positions.

Any recommended increase for a faculty member or other EPA employee that would result in a salary equal to or greater than \$10,000 **AND** 15 percent or more above the current salary must be approved by the President and the Board of Governors. Each such recommendation shall be submitted in accordance with the format provided in the attached "Personnel Action Requiring Approval of the Board of Governors." I expect very few such recommendations; justifications for these exceptions must be very strong.

All attachments and written requests for recommended salaries requiring Board of Governors approval (as noted above) are **due in Janice Bowen's office by noon, Thursday, September 15, 2005**. Dr. Ballard and I will consider any recommendations of 10 percent or higher. Those will also be **due by noon, Thursday, September 15, 2005**.

Salary recommendations for all EPA non-faculty employees (some examples are IT consultants, academic advisors, program specialists, and counselors), including any employee funded in whole or part from 1110, are **due to Janice by 5 P.M., Friday, September 23, 2005**. Recommendations for all faculty employees will be **due by 10 A.M., Friday, September 30, 2005**, in order for us to meet the deadlines set by the Office of the President and payroll considerations. Any early submissions will be appreciated; our deadline for returning the recommendations to OP is once again very tight. Please send all salary recommendations to Janice Bowen.

We would appreciate your using the computer spreadsheet attached to this memo in preparing your recommendations. If you would like an electronic version of this spreadsheet, please contact Janice Bowen. With the exception of funds you use to resolve salary inequities, the recommendations for merit raises must be in accordance with the annual evaluations of individual faculty. Better than satisfactory performance is a necessary condition for salary increases. Those for whom 2005-2006 or 2006-2007 is a terminal year due to a non-reappointment or non-tenure decision should not be recommended for a merit increase.

Units will retain reserve amounts in positions. It is expected that units will make equity and other salary adjustments with funds available to the units.

IMPORTANT: If you augment your unit's salary increase dollar amount by using additional funds from vacant positions, you must indicate for each specific individual and position the additional amount from a vacant position and that position number. Please include this information to the printout beside each individual for whom this applies.

Please enter *total* amount of *increase*, *new annual base salary*, and *percentage of increase* for each individual for each column on the printout and sum the total amount of increase for the unit.

In addition, please indicate on the printout or on an attachment for faculty currently on non-state funds the current salary, recommended amount and percentage of increase, and the new base salary. Identify grant or special fund account numbers, budget subhead, and contract period.

As in the past, no new faculty for 2005-2006 are entitled to increases. You should raise the budget for positions filled by persons on leave of absence by the amounts you would have recommended for that person if he/she were not on leave. Increases in the salaries of employees returning from leave will not take effect until such employees return to active duty.

NOTE: The 1310 salary increase pool is the combined total for purpose codes 101 and 107 and may be awarded regardless of the individual position's current state funding source. For those units that have positions funded from other purpose codes, the 1110 salary increase pool from state funds is a combined total of all state fund purpose codes and may be awarded regardless of the individual position's current state funding source.

Salary letters will be delivered to units in late October, dependent upon and following approval and certification. Please hold your own salary letters notifying faculty of increases until approval by the UNC Office of the President. At this point, submissions are recommendations only.

If you have any questions or need assistance in preparing your recommendations, please feel free to call Dianna Lowe (1420), Linda Ingalls (5442), or Janice Bowen (1423). Thank you for your assistance.

You will receive electronically a memorandum from Chancellor Ballard concerning compensation pools for recognizing merit, compression, equity, diversity (within the law), and market issues for 2005-2006 and beyond. Please review this information carefully and comply with his thoughts and guidance in this year's salary increase process.

As always, thanks for all you do for your academic unit and for East Carolina University, both from month to month and also (and especially) during this busy and important time. At least we can do some good things for the faculty this year, even if not enough.

JLS/agt

Attachments

Cc: Steve Ballard
Mike Lewis
Elmer Poe