

Contact: Tom Evans

FY 2008 PRELIMINARY PAY POLICIES

Action Requested: Hear presentations by institutional representatives of nonorganized faculty and staff groups.

Executive Summary: One of the highest priorities for budget planning at the five Regent institutions is to ensure that faculty and staff are compensated at levels that foster both recruitment and retention. The institutions have been unable to define specific salary policies given the uncertainty of action by the Iowa General Assembly. It is anticipated that the Board will be asked to consider final salary policies for the institutions and the Board Office at the June meeting.

Faculty and staff at the Regent institutions fall into three categories: faculty, professional & scientific, and merit employees. Each institution has its own classification system for professional and scientific (P&S) staff. These classifications encompass positions such as accountants, scientists, nurses, admission counselors, engineers, managers, etc. There are approximately 8,600 P&S employees at the five institutions; of these, approximately 2,400 registered nurses and other health care professionals at the University of Iowa Hospitals and Clinics are organized for the purposes of collective bargaining in accordance with Chapter 20 of the Iowa Code.

There are approximately 4,400 faculty and institutional officials at the three universities, including 600 organized faculty at the University of Northern Iowa.

There are approximately 7,100 merit employees – blue collar, security, technical, clerical -- in the Regent Merit System. Of this total, about 6,800 are in AFSCME bargaining units. The remaining employees are supervisory/confidential and excluded by law from collective bargaining.

Finally, 2,800 graduate assistants at the University of Iowa are organized for the purposes of collective bargaining.

Based on the conceptual budget planning for FY 2008, the salary policy goals of the institutions are summarized below. As noted above, the policies cannot be finalized until the legislative process concludes.

University of Iowa: Achieving more competitive faculty salaries remains the University's top academic budget priority in FY 2008. Average full-time tenured and tenure-track faculty, in all departments except clinical medicine, fell to the bottom of the Regent approved peer group as a result of budget difficulties encountered over the past decade¹. The FY 2008 budget will be the third year of a recovery plan supported by reallocations, tuition revenue, and anticipated FY 2008 state funding for salary increases. It is the University's goal that the recovery plan will raise the average salary for faculty in all departments except clinical medicine to the median of its 11-member peer group. The University plans again to divide pay increases for faculty into two increments. The largest portion would be given on July 1, 2007, with an additional increase on January 1, 2008. This would be similar to the increases given to faculty in FY 2007. It is anticipated that nonorganized P&S staff would receive increases comparable to those received by faculty on July 1, 2007.

The Carver College of Medicine will continue to pursue the strategic goal of moving clinical faculty salaries to a median of the American Association of Medical Colleges. It currently is at the 40th percentile.

¹ Note: The tenure policies at the three universities are explained in Agenda Item 21.

Iowa State University: One of the University's highest priorities is to ensure that faculty and staff are compensated equitably based upon responsibilities and performance and at a level that is competitive with similar positions at peer universities and in the marketplace. The non-competitiveness of ISU faculty salaries within its 11-member peer group (ISU faculty average salary ranks last) is well documented. The University aspires to raise the ranking within the peer group. Also, salaries in some P&S job classifications have fallen below market as evidenced by recent analysis and inability to hire in some units. Budget planning at ISU provides 3% salary increases for faculty and P&S staff which will be funded with state salary appropriations. Any additional resources in salary funding will be directed toward improving competitiveness of faculty salaries.

University of Northern Iowa: The United Faculty negotiated pay plan will provide a 3% increase on July 1, 2007. Typically, the salary policy for nonorganized professional and scientific staff has followed that of collective bargaining settlement reached with the United Faculty. The University hopes to continue this practice in FY 2008 if state salary appropriations are received.

Iowa School for the Deaf: With full funding, the school would be able to establish a salary policy of average increases for professional and scientific staff of 4.75% for meritorious performance. Again with full funding, each cell of the faculty matrix would be increased by 4.25%. A 2% increase between each consecutive cell on the vertical scale (for years of service) is proposed. It is anticipated that the average faculty increase would be approximately 5.1%.

Iowa Braille and Sight Saving School: With full funding, the school anticipates average increases between 4.5% and 5% for P&S staff. Of the 35 teachers and consultants who are paid on the faculty pay matrix at IBSSS, 21 are dedicated to services provided through a designated Area Education Agency (AEA). Through contractual arrangements, the AEAs purchase the services of the faculty members from IBSSS. Based on preliminary salary information from the AEAs, the school proposes to increase faculty salaries on average between 4.5% and 5% which would be in line with increases anticipated in the AEAs.

Regent Merit System Supervisory and Confidential: Traditionally, the pay policy for employees in the Regent Merit System excluded from AFSCME bargaining units has been the same as that for those employees covered by the collective bargaining agreement. The FY 2008 pay policy for AFSCME staff is an across-the-board increase of 3% on July 1, 2007, and eligible employees will receive 4.5% step increases on their eligibility dates throughout the year.

Representatives of the following groups have been invited to make presentations to the Board on salary issues for the upcoming fiscal year.

University of Iowa Faculty Senate
University of Iowa Staff Council
Iowa State University Faculty Senate
Iowa State University Professional and Scientific Council
University of Northern Iowa Professional and Scientific Council
Iowa School for the Deaf Faculty
Iowa School for the Deaf Professional and Scientific Staff
Iowa Braille and Sight Saving School Faculty
Regents Interinstitutional Supervisory and Confidential Council (representing the Regent Merit System supervisory/confidential staff)

Two-year (July 1, 2007, through June 30, 2009) collective bargaining agreements have been negotiated with the organized employee groups. Salary policies for the first year of each of the agreements are summarized below:

- UNI – United Faculty: 3% increase on July 1, 2007.
- Regent Merit System staff in AFSCME bargaining units: 3% across-the-board increase on July 1, 2007, and continuation of step increases valued at 4.5% for eligible employees (those not at the maximum of the pay grades).
- University of Iowa tertiary care unit (SEIU): 4.2% across-the-board increase. Other pay components (market adjustments, supplemental pay, recognition of education, etc.) bring the total first year cost increase to approximately 5.07%.
- University of Iowa graduate assistants (COGS): 1.75% average increase and an increase in tuition scholarship equating to approximately 62.5% of tuition. Approximate cost of the agreement in the first year is 5.4%.