

Contact: Tom Evans

FY 2009 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 (P&S), and merit employees. Each institution has its own classification system for P&S staff. These classifications encompass positions such as accountants, scientists, nurses, admission counselors, engineers, managers, etc. There are approximately 8,900 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 4,500 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 in the Regent Merit System. Of this total, about 6,800 are in AFSCME bargaining units (blue collar, security, technical, clerical). The remaining employees are supervisory or confidential and excluded by law from collective bargaining.

Finally, 2,700 graduate assistants at the University of Iowa are organized for the purposes of collective bargaining.

Based on the conceptual budget planning for FY 2009, 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 2009. The University has been able, through strategic reallocation, to provide faculty salary increases in excess of 5% in the last three fiscal years. In FY 2009 improving competitiveness of faculty will again be a top budget priority. Faculty salary rankings within the University's peer group and the Big 10 have improved – now 8th in the 11-member peer and 6th in the Big Ten (public institutions). The University's salary policy will likely give the collegiate and other major units latitude to establish average salary within a range of 1.5%. The FY 2008 range was 4.5% to 6%. The University is considering a split pay increase for faculty with the largest increase on July 1, 2008 and a supplemental increase on January 1, 2009.

It is anticipated that nonorganized P&S staff would receive increases comparable to those received by faculty on July 1, 2008.

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. Salaries in the college are currently at the 41st percentile.

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 was able to add 6.5% to the faculty salary base in FY 2008. Peer institutions have increased from 4% to 8%. Thus, ISU may have made only slight progress relative to its peers. Preliminary budgeting includes 3% increases for faculty and professional and scientific staff. Any additional resources in the salary funding will be directed toward improving the competitiveness of faculty salaries.

University of Northern Iowa: The United Faculty negotiated pay plan will provide a 4% increase on July 1, 2008. 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 2009 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% for meritorious performance. Again with full funding, each cell of the faculty matrix would be increased by 3%. A 2% increase between each consecutive cell on the vertical scale (for years of service) will be maintained.

Iowa Braille and Sight Saving School: Depending upon availability of funding, school's goal is to increase faculty and P&S salaries by 3%. A 2% increase between each consecutive cell on the vertical scale (for years of service) will be maintained.

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 2009 pay policy for AFSCME staff is an across-the-board increase of 3% on July 1, 2008, 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 and 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 final year of each of the agreements are summarized below:

- UNI – United Faculty: 4% increase on July 1, 2008.
- Regent Merit System staff in AFSCME bargaining units: 3% across-the-board increase on July 1, 2008, 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): 4.4% across-the-board increase. Other pay components (market adjustments, supplemental pay, recognition of education, etc.) bring the total first year cost increase to approximately 5.03%.
- University of Iowa graduate assistants (COGS): 1.75% average increase and an increase in tuition scholarship equating to approximately 75% of tuition. Approximate cost of the agreement in the first year is 3.8%.