

BOARD OF REGENTS

BRIEFING PAPER

Revisions to *CODE*, Title 2, Chapter 5, Section 5.5.1, Development and Review of Salary Schedules,
Handbook, Title 4, Chapter 3, Professional Staff and
Procedures and Guidelines Manual, Chapter 3, Salary Schedules

BACKGROUND & POLICY CONTEXT OF ISSUE:

In accordance with the *Code*, Title 2, Chapter 5, Section 5.5.1, NSHE salary schedules are reviewed and updated every four years. Chancellor Reilly appointed a Salary Study Working Group, with representatives from all institutions, that began its review in the Fall 2017. However, in light of the fact that there had not been an independent review of NSHE salary schedules and methodologies since the 1999 PriceWaterhouseCoopers study, and inconsistent methodologies had developed over the years to update the NSHE salary schedules, Chancellor Reilly, with the concurrence of the Council of Presidents, recommended that an external entity with expertise in higher education compensation analysis be engaged to review the NSHE salary schedules and methodologies.

Arthur J. Gallagher & Company (Gallagher) was selected to provide expert guidance not only on reviewing the then current salary schedules with respect to market data, but also to provide a recommended methodology for future salary schedule updates. In light of the interim legislative committee charged with reviewing faculty compensation, Gallagher was also requested to evaluate whether salaries paid to NSHE administrative and academic faculty are competitive. Mr. Jim Fox, who led the Gallagher group study, reported Gallagher's findings in April and May of 2018 to the Salary Study Working Group, Faculty Senate representatives, the Council of Presidents, the interim legislative committee and to the Board of Regents.

Among other findings, Gallagher recommended that:

1. Consistent with the most common practices used by colleges and universities across the United States, a market-based methodology using a wide spectrum of community and state colleges, and universities.¹ In addition, the NSHE administrative salary schedule methodology should be revised and the number of grades in the schedule should be increased²;
2. A comprehensive review of the NSHE academic and administrative salary schedules should occur at regular intervals every 3-5 years to ensure that the "salary levels are consistent with the marketplace," along with a market salary study to ensure "salary schedules and employee salaries remain competitive"³; and
3. Annual reviews of the NSHE salary schedules should occur and the schedules should be updated by a percentage to reflect increases, if any, based upon "geographic area and the higher education industry" or a "labor market index."⁴ Gallagher & Co. recommended basing any increases on the most recent CUPA, WorldatWork and/or U. S. Labor Market annual percentage salary increases for higher education.

At the May 2018, Special Board Meeting, the Board requested staff to prepare policy amendments based on the Gallagher recommendations, to include market-based salary schedule updates to be performed by an external expert in higher education compensation. Working with the Chair and Vice Chair, staff prepared proposed revisions to the Code, Title 2, Chapter 5, Section 5.5.1 that would require:

1. Engaging an outside higher education compensation expert to perform comprehensive market-based salary schedule updates every four years; and
2. Annual salary schedule updates to reflect adjustments, if any, using market data, including CUPA salary data, Oklahoma State University faculty salary survey data, WorldatWork, US Labor Market or other indices.

In addition to the above, Gallagher found that current NSHE academic and administrative salary schedules and pay are "overall, . . . above the market or competitive"⁵ and did not need to be revised at that time. Based on Gallagher's recommendation, university discipline specific salary schedules for Business, Economics, Dental and Engineering were

¹ [COMPENSATION STUDY Nevada System of Higher Education](#), Gallagher Human Resources & Compensation Consulting, May 2018, pp. 54-55.

² *Id.*, p. 53.

³ *Id.*, p. 55.

⁴ *Id.*

⁵ *Id.*, p. 49.

adjusted to reflect market data.⁶ Gallagher also found that NSHE has internal pay compression because professional employee salaries have not advanced commensurate with common market practices.⁷

Amendments to Title 4, Chapter 3 Salary Schedules and *Procedures and Guidelines Manual*, Chapter 3, Salary Schedules are needed to be consistent with the proposed Code amendments, and related provisions are clarified.

SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:

Proposed CODE amendments, and related amendments to Board Policy and the *Procedures and Guidelines Manual* are presented for action at this meeting.

The proposed amendments to Code, Section 5.5.1, would accomplish the following:

1. The Chancellor will be required engage an independent compensation expert, with expertise in higher education compensation, at least every four years, to review and update the salary schedules using peer institution and other appropriate market data, as determined by the independent expert and approved by the Chancellor.⁸ The institution presidents may provide suggested peer institutions for the independent compensation expert to consider in the salary schedule review.

The independent compensation expert must present the proposed salary schedules, recommendations and methodology used (including the selection of peer institutions and appropriate market data) to the Presidents and Faculty Senate Chairs for their feedback.

2. The first comprehensive salary schedule update by an independent expert will be initiated no later than October 1, 2021.
3. Thereafter, salary schedule updates, in this manner, must occur every four years.
4. Salary schedules may be updated annually to reflect salary increases, if any, using an average percentage increase recommended by the NSHE Human Resources Office and approved by the Chancellor, based upon review of the most recent data from indices such as CUPA, Oklahoma State University faculty salary survey data, WorldatWork and US Labor Market annual average salary increases for higher education.
5. The Chancellor shall seek feedback from the Presidents and faculty senate chairs regarding the periodic four-year proposed updated salary schedules required in Subsection 5.5.1a.
6. The Chancellor shall provide the Presidents and faculty with proposed updated salary schedules at least 30 days before publication of the updated schedules in the *Procedures and Guidelines Manual*; and shall identify positions which fall below the minimum of any updated salary schedule.
7. Updated salary schedules must be published in the *Procedures and Guidelines Manual* no later than January 30 to be effective July 1.
8. The language in Subsection 5.5.1b, regarding updating part-time salary instructor salaries, is moved to the *Procedures and Guidelines Manual*.

The *Code*, in Subsection 5.5.1c, currently requires the Chancellor to report any approved salary schedule changes to the Board of Regents.

The proposed amendments to Title 4, Chapter 3 Professional Staff are the following:

- Section 25 Professional Salary Schedule:
 - Amend Subsection 25.2 to clarify the requirement for approval of initial placement of employees on the salary schedules.
 - Delete Subsection 25.3 which concerns adoption of salary step patterns, community college salary plans and initial placement.
- Delete Subsections 26.1-26.3 which concern development of salary schedules (the new Code language replaces these provisions); renumber remaining Subsections and correct the title of the Board Officer in Subsection 26.4.

⁶ *Id.*

⁷ *Id.*, pp. 50-52.

⁸ During the most recent salary study review completed by Gallagher in May 2018, the System Human Resources Director assisted in the provision of salary data and will provide such support for future comprehensive salary updates.

- Amend language in Section 27 regarding Initial Placement on the Salary Schedule to clarify that the policy applies to all institutions and that approvals for placement above range must be obtained before an offer is made.
- Amend Subsection 28.1.2 to correct the title of the Board Officer.
- Delete Sections 35. Salary Schedules and Section 36. Community College Academic Salary Schedule. These sections are unnecessary in light of the proposed Code amendments.
- Delete Section 37. Community College Salary Plan, Basic Concepts. The language regarding a single salary plan for community colleges in Subsection 37.1 is moved to the Procedures and Guidelines Manual and clarified; the language regarding “individual differences” is unnecessary in light of the proposed Code amendments. Subsection 37.2 concerning advancement considerations is covered in the PGM, Chapter 3, Section 3.4.d; and Subsection 37.3, which requires advancement of the overall community college salary schedule by COLA is inconsistent with the proposed Code amendments.
- Sections of Title 4, Chapter 3 are renumbered accordingly.

The proposed amendments to the Procedures and Guidelines Manual Chapter 3 are as follows:

- Delete language in Section 1 that requires Board of Regents approval of salary schedules and that describes the methodology used to establish the community college salary schedule. These provisions are inconsistent with the proposed Code amendment.
- Add language to Section 3.1 Community College Academic Salary Schedule to clarify that all community colleges use a single salary schedule (replaces language deleted in Title 4, Chapter 3, Subsection 37.1.
- Add language to Section 3.2.a to clarify that initial placement on the salary schedule at community colleges must be in accordance with Title 4, Chapter 3, Sections 25 and 27.
- Add new Section 3.4.d to replace the language deleted in Title 4, Chapter 3, Section 37.d regarding consideration of trade, industry and occupationally related experience.
- Add language to Section 7 Part-Time Salary Schedules to correspond to Title 4, Section 40 (renumbered Section 37) regarding updating of part-time faculty salary schedules.

IMPETUS (WHY NOW?):

The proposed *Code* revisions were prepared at the request of the Board at its May 2018 special meeting in response to the recommendations noted in the salary study conducted by Arthur J. Gallagher & Company and presented for information at the Board of Regents September 5-6, 2019, meeting for information only. The Code amendments are presented for action at this meeting. The related *Handbook* and *Procedure and Guidelines Manual* proposed amendments are presented for action to be consistent with the proposed Code amendments or are necessary clarifications of existing salary policy language.

CHECK THE NSHE STRATEGIC PLAN GOAL THAT IS SUPPORTED BY THIS REQUEST:

- Access (Increase participation in post-secondary education)
- Success (Increase student success)
- Close the Achievement Gap (Close the achievement gap among underserved student populations)
- Workforce (Collaboratively address the challenges of the workforce and industry education needs of Nevada)
- Research (Co-develop solutions to the critical issues facing 21st century Nevada and raise the overall research profile)
- Not Applicable to NSHE Strategic Plan Goals

INDICATE HOW THE PROPOSAL SUPPORTS THE SPECIFIC STRATEGIC PLAN GOAL

Not applicable.

BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:

- These amendments are necessary in light of the following:
- The use of a neutral outside, independent higher education compensation expert to conduct the comprehensive salary schedule updates will help ensure that NSHE salary schedules are aligned with national market-based compensation practices in higher education.
 - A variety of methodologies have been employed over the years to update the schedules, which are not consistent with current market practices.
 - The current use of ratios between the University and State College/Community College salary schedules is inappropriate.
 - The comprehensive review of the salary schedules will include review and revision of the methodologies used to create the schedules, as recommended by the independent compensation expert.
 - Regular comprehensive review and update of the academic and administrative salary schedules will ensure the schedules remain competitive with the market.
 - Annual review and update of the schedules to reflect increases based on market data, if any, will also help ensure the schedules remain competitive with the market.
 - “Sufficient data is available from various published survey sources to develop” market-based salary schedules for the universities, state college and community colleges⁹.

POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:

Faculty and staff should continue to participate in the salary schedule reviews and updates.

ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:

Retain the existing *Code* language in Title 2, Chapter 5, Section 5.5.1.

RECOMMENDATION FROM THE CHANCELLOR’S OFFICE:

The Chancellor’s Office recommends support for the proposed Code revisions.

COMPLIANCE WITH BOARD POLICY:

Consistent With Current Board Policy: Title # _____ Chapter # _____ Section # _____

Amends Current Board Policy: *Title 2 and Title 4, misc. sections*

Amends Current Procedures & Guidelines Manual: *Chapter 3, misc. sections*

Other: _____

Fiscal Impact: Yes No _____

Explain: The proposed Code amendment requires hiring an independent expert to revise NSHE salary schedule every four years beginning in 2021. The cost cannot be estimated at this time.

⁹ *Id.*, pp. 53-55.

POLICY PROPOSAL
Title 2, Chapter 5, Section 5.5
Development and Review of Salary Schedules

Additions appear in *boldface italics*; deletions are [~~stricken~~ and bracketed]

Section 5.5 Salaries

5.5.1 Development and Review of Salary Schedules.

- a. ***Periodic Four-Year Salary Schedule Updates.*** The salary schedules for the universities, Desert Research Institute, special units, state college and the community colleges for executives, administrators and faculty shall be reviewed and updated [~~at least~~] every four years. ***The [by the] Chancellor shall engage an independent compensation expert, with expertise in higher education compensation, to review and recommend to the Chancellor updates to the salary schedules using peer institution and other appropriate market data as determined by the independent expert. [with the assistance of the presidents and faculty.] The institutional presidents may provide suggested peer institutions for consideration by the independent compensation expert. The independent compensation expert shall present the proposed updated salary schedules, methodology used (including the selection of peer institution and appropriate market data) and recommendations to the Presidents and the Faculty Senate Chairs to obtain their input. The first salary schedule update by an independent compensation expert shall be initiated in no later than October 1, 2021. The updated salary schedules shall be published in January 2022 to be effective July 1, 2022. Thereafter, the salary schedule updates must occur in this manner every four years.***
- b. ***Annual Salary Schedule Increases.*** In years where the periodic four-year update does not occur, the salary schedules shall be updated annually to reflect market-based salary increases, if any, using a percentage determined by the Chancellor. By October 1 of each year, the NSHE Human Resources Office shall recommend to the Chancellor an annual percentage increase, if any, based upon review of the most recent data from indices such as CUPA, Oklahoma State University faculty salary survey data, WorldatWork and US Labor Market annual salary increases for higher education. The recommended annual adjustments must be approved by the Chancellor after review by the Chancellor's cabinet. The updated salary schedules may be published no later than January 30 of each year to be effective July 1.

[The salaries paid to part-time instructors shall be reviewed and updated at least every four years, including a review of benefits paid.]

- c. ***Approval and Report of Salary Schedule Updates.*** The Chancellor shall advise the Presidents and faculty senate chairs regarding the proposed updated salary schedules at least 30 days before publication of the updated salary and shall identify any positions which fall below updated salary schedule minimums for that position. Any proposed revisions to the schedules shall not go into effect until approved by the Chancellor. The Chancellor shall provide a report to the Board of Regents regarding any approved salary schedule changes. [~~Salary schedule reviews and updates will not occur more frequently than annually.~~]

POLICY PROPOSAL

Title 4, Chapter 3

Professional Staff

Additions appear in *boldface italics*; deletions are [~~stricken~~ and bracketed]

Section 25. Professional Salary Schedule

1. Title 2, Chapter 5, Section 5.5 of the Code contains provisions for professional salary schedules.

2. The institutional President or the Chancellor, as the case may be, [~~shall establish~~] ***shall approve*** the initial placement of professional employees on the salary schedule at the time of appointment. The President or Chancellor shall also [~~establish~~] ***approve*** any subsequent adjustment in salary or contract conditions, except that individuals whose initial appointments require Board approval shall also require such approval for salary adjustments and changes in contract conditions, exclusive of COLA, as stipulated in Section 28 of this chapter.

~~[3. The universities and state college shall be permitted to adopt the salary step pattern of their choice between the lowest and the highest base point salary figures adopted within each rank, range, or other category. A single Community College Faculty Salary Plan shall be adopted by the Board of Regents for the community colleges. The initial placement and movement of professional employees on the community college salary schedule is established in Section 36 of this chapter.]~~

[4]3. NSHE professional employees shall be eligible to be considered for merit awards during fiscal years when a merit pool appropriation is provided. Each NSHE institution shall develop written policies and criteria by institution and/or unit for the recommendation of merit awards for both academic faculty and administrative faculty. Merit awards are subject to the approval of the institutional President, or the Chancellor as the case may be, except as provided in Section 28 of this Chapter.

[5]4. Performance bonuses or commissions are generally not permitted for NSHE professional staff, regardless of the source of funding.

a. On a case-by-case basis, limited exceptions based on prevailing labor market practices may be requested in writing by the institution President. In such limited cases, if approved by the Chancellor, the employment contracts that specify a bonus or commission must meet the following conditions:

1. The terms of the bonus or commission must be approved in advance by the President and reported to the Chancellor. This authority may not be delegated to any other institutional officer.

2. The bonus or commission must be in conformity with state and federal laws and regulations.

3. The bonus or commission must be tied to specific measurable standards that are documented in writing as part of the employment contract.

4. The financial terms and measurable standards for the bonus or commission must be reviewed by the vice chancellor of legal affairs and approved by the President prior to the preparation of the employment contract. In the case of employment contracts that must be forwarded to the Board of Regents per System policy, the bonus or commission must be approved by the Chancellor and the Board of Regents.

5. The bonus or commission cannot be paid with state-appropriated funds.

6. The bonus or commission shall not become part of the employee's base salary.
- b. A bonus or commission is not to be confused with a special, one-time monetary award that may be presented to professional staff in recognition of length of service or as part of a competitive award program to recognize superior accomplishments in teaching, research, creative activity, service, or advising.

Section 26. ~~NSHE Executive [Salary Schedule] Salaries~~

~~[1. Development and Review of Salary Schedules. Executive salary models for all executive positions shall be reviewed and updated at least every four years. The Chancellor, in consultation with the Presidents, is charged with reviewing and updating the executive salary schedule. Any proposed revisions to the executive salary schedule shall not go into effect until approved by the Chancellor. The Chancellor shall provide a report to the Board of Regents regarding any approved executive salary schedule changes. Executive salary schedule reviews and updates will not occur more frequently than annually. The executive salary schedule shall be reviewed in accordance with the following principles:~~

~~a. Use of Peer Group Comparisons: Peer institution groups shall be developed and adopted for executive salaries for the Chancellor's Office, DRI, universities, state college, and community colleges, with the peer groups based primarily on similarity of mission and on other characteristics such as size, administrative complexity, and budget where appropriate. Where appropriate, the same group of peer institutions may also be used for faculty and middle management compensation comparisons, ensuring a link between faculty and executive compensation.~~

~~b. Compilation and Review of Comparative Salary Data: Data concerning salaries paid to executives in the peer institutions shall be collected at least every four years. Using these data, salary ranges shall be reviewed for each executive category. The peer institution group salaries occurring at the seventy-fifth percentile shall be used to establish the mid-point of each proposed NSHE salary range. The ranges shall be compared for internal consistency among institutions and System units and for proportional relationships between faculty and executive salaries, with adjustments proposed as necessary.~~

~~2]1. Chancellor: The initial salary for the Chancellor shall be set by the Board of Regents.~~

~~[3]2. System Executive Staff: The initial salary for the vice chancellors and equivalent positions shall be set by the Chancellor, subject to section 27 of this chapter.~~

~~[4]3. Board Officer: The initial salary for the [secretary to the board] *chief of staff and special counsel for the Board* shall be set by the Board.~~

Section 27. Initial Placement on the Salary Schedule

1. The provisions of this section are applicable to all employment positions, including executive, administrative and academic faculty positions *at all institutions*.

2. Initial placement of positions will be made within the range for that position as reflected in the approved and applicable salary schedule. Placement should be based on factors such as prior experience, appropriate credentials, length of service, and quality of performance. Except as otherwise provided in this section, initial placement must fall between the minimum salary and Q2/median/mid-range on the applicable salary schedule.

3. Initial placement at a level higher than Q2/median/mid-range, but within the range, must (a) be accompanied by written justification and evidence of substantial experience or credentials relative

to the position, and (b) be approved by the President (for institutional positions) or Chancellor (for System positions).

4. Initial placement for institutional positions above the range of the applicable salary schedule must be approved by the Chancellor *before an offer is made*. All institution requests for such placement must be (a) signed by the institution president and (b) explain why the candidate is unlikely to accept employment without an exception to the salary schedule, including factors such as the candidate's extraordinary qualifications and experience, the competitive nature of the field or discipline, and the candidate's salary history. Initial placement above the range of the applicable salary schedule should be rare and may only be approved by the Chancellor after he or she has consulted with the Board Chair. On or before August 1, of each year, a report shall be provided to the Board detailing, by institution, all requests for initial placement of positions above the applicable salary schedule during the immediately preceding fiscal year.

5. Initial placement of System positions above the range of the applicable salary schedule must be approved by the Chancellor *before an offer is made*. All System requests for such placement must be (a) signed by a vice chancellor of equivalent position overseeing the position, and (b) explain why the candidate is unlikely to accept employment without an exception to the salary schedule, including factors such as the candidate's extraordinary qualifications and experience, the competitive nature of the field or discipline, and the candidate's salary history. Initial placement above the range of the applicable salary schedule should be rare and may only be approved by the Chancellor after he or she has consulted with the Board Chair. On or before August 1 of each year, a report shall be provided to the Board detailing all System requests for initial placement of positions above the applicable salary schedule during the immediately preceding fiscal year.

Section 28. Ongoing Review and Approval of Executive Salaries and Annual Report to Board on All Employment Positions

1. After initial placement on the appropriate executive salary schedule, executive salaries shall be reviewed and approved as follows:

a. Deans: Any proposed salary adjustments for deans (executive directors at DRI) at the member institutions, exclusive of COLA, shall be recommended by the appropriate vice president, approved by the President, and forwarded for information to the Chancellor annually. If any recommended salary falls outside the Board approved salary range for that position, it must be approved by the Chancellor.

b. Vice Presidents: Any proposed salary adjustments for vice presidents or equivalent positions at the member institutions, exclusive of COLA, shall be approved by the President and reported to the Chancellor.

c. Presidents: Any proposed salary adjustments for Presidents, exclusive of COLA, shall be (i) recommended by the Chancellor in consultation with the Board Chair based on performance criteria assessed in an annual or periodic evaluation, and (ii) be approved by the Board of Regents. The Chancellor's recommendation must conform to guidelines set by the Board of Regents and be reported to the Board. The report shall provide the Chancellor's rationale for the salary adjustment, including information on the manner in which the President's performance exceeded his or her performance program and goals.

d. System Executive Staff: Any proposed annual salary adjustments for vice chancellors exclusive of COLA, shall be approved by the Chancellor based on performance criteria assessed in an annual evaluation. The Chancellor's recommendation must conform to guidelines set by the Board of Regents and be reported to the Board. The report shall provide the Chancellor's rationale for the salary adjustment, including information on the

manner in which the individual's performance exceeded his or her performance program and goals.

e. Board Officer: Any proposed annual salary adjustments for the [secretary to the board] *chief of staff and special counsel*, exclusive of COLA, shall be recommended by the Board Chair, based on performance criteria assessed in an annual or periodic evaluation, and approved by the Board of Regents. The Board Chair's recommendation must conform to guidelines set by the Board of Regents.

f. Chancellor: Any proposed salary adjustments for the Chancellor, exclusive of COLA, shall be recommended by the Board Chair, based on performance criteria assessed in an annual or periodic evaluation, and approved by the Board of Regents. The Board Chair's recommendation must conform to guidelines set by the Board of Regents.

2. On or before August 1 of each year, a report shall be provided to the Board of Regents detailing, for the immediately preceding year, the following for all employment positions, including executive, administrative and faculty positions, for each institution and System Administration:

a. A list of position, by department, school or functional area, that received a salary increase or adjustment (singular or aggregate) of ten percent (10%) or greater during that fiscal year, exclusive of cost-of-living or merit increases.

b. A list of positions, by department, school or functional area, that received performance bonuses or commissions pursuant to Section 25 of this chapter.

c. A list of positions, by department, school or functional area, that receive an equity adjustment pursuant to Chapter 3, Section 2.3 of the Procedures and Guidelines Manual.

d. A list of positions, by department, school or functional area, that received any type of back-pay or retroactive compensations and the reasons for such compensation.

...

[Section 35. Salary Schedules

~~The Chancellor, with the assistance of the Presidents and faculty, shall review and update the executive, academic, and administrative salary schedules for the universities, state college, and community colleges at least every four years. Any proposed revisions to the schedules shall not go into effect until approved by the Chancellor. The Chancellor shall provide a report to the Board of Regents regarding any approved salary schedule changes. Salary schedule reviews and updates will not occur more frequently than annually. (B/R 3/13)~~

Section 36. Community College Academic Salary Schedule

~~1. All community colleges in the NSHE will adopt a single academic salary schedule for community college instructors and community college professors. Placement of faculty on the academic salary schedule and subsequent advancement from grade to grade requires assessment by the appropriate college administrator of the faculty member's work and/or teaching experience, academic qualifications or equivalencies, and, where appropriate, tenure status. All degrees must be awarded by regionally accredited institutions. Where numbers of credit hours are specified, they must be in approved instructional fields as determined by the appropriate college administrator. All credits earned must be equated to semester hour credits. Faculty who contemplate a future course of study to achieve advancement must secure prior written approval by the appropriate administrator.~~

~~The Chancellor shall establish procedures concerning the initial placement and movement on the community college academic salary schedule, and other procedures related thereto. (B/R 3/13)~~

Section 37. Community College Salary Plan, Basic Concepts

- ~~1. All community colleges agree with the concept of a single salary plan. Individual differences can be reflected in the implementation of the dollar figures.~~
- ~~2. Consideration must be given to faculty who teach in non-traditional areas including trade and industry. Faculty must be able to move from grade to grade using occupationally related courses.~~
- ~~3. Any cost of living (COLA) increase approved by the state Legislature and Governor will advance the academic salary schedule overall. (B/R 3/13)]~~

Section [38]35. Community College Professional Advancement Program

1. Eligibility For Professional Advancement

All academic faculty holding a .50 FTE or above and who have been placed on the Academic Faculty Salary Schedule are eligible for this plan.

2. Expense Encumbrance or Reimbursement Disclaimer

- a. The college will not pay nor shall a faculty member have caused any liability or encumbrance to accrue to the college for expenses the faculty member entered into during the course of the professional advancement program, except where otherwise allowed by the President, in writing, or by Board of Regent policy.
- b. The professional grant-in-aid, allowed under the provisions of Title 4, Chapter 3, Section 12, may be used to pay for course work taken within the NSHE (NSHE).

3. Voluntary Program

Participating in the Professional Advancement Program is completely voluntary. No administrator may require any faculty member to participate in the program.

4. Faculty Senate Review Committee for Professional Advancement Appeals

A Faculty Senate Committee will be convened by and report to the faculty senate Chair when an appeal for denial of professional advancement is received. It is the responsibility of the applicant to make his/her case for professional advancement in the written application that this committee will review. The committee may call for additional assistance from program area faculty.

5. The Chancellor shall prescribe in procedures a program outline for professional advancement, program standards, and an appeals process.

Section [39]36. Summer Term Salary Schedules

Salary schedules for summer session faculty at all NSHE institutions shall be reviewed and updated annually by the President's office at each institution and approved by the Chancellor. Any proposed revisions to the schedules shall not go into effect until approved by the Chancellor. The Chancellor shall provide a report to the Board of Regents regarding any approved salary schedule changes. Summer term salary schedule reviews and updates will not occur more frequently than annually.

[Section 40. Part Time Salary Schedules

~~The salary schedule for temporary part time faculty shall be reviewed and updated at least every four years by the President's office at each institution and approved by the Chancellor. Any proposed revisions to the schedules shall not go into effect until approved by the Chancellor. The Chancellor shall provide a report to the Board of Regents regarding any approved salary schedule changes. Salary schedule reviews and updates will not occur more frequently than annually.]~~

POLICY PROPOSAL
Procedure and Guidelines Manual
Chapter 3, Section 1
Salary Schedules

Additions appear in *boldface italics*; deletions are [~~stricken~~ and bracketed]

Section 1. Salary Schedules for NSHE, Universities, State Colleges and Community Colleges Except Schools of Medicine

[~~The following salary schedules are reviewed and approved by the Board of Regents:~~]

...

[~~The methodology used to establish the community college academic salary schedule is the following. The community college academic salary schedule Grade 3 Median is a percentage of the overall university academic salary schedule median (currently 78% of the university overall median). The overall university median is an average of the midpoints of the four university rank ranges.~~

~~The median of each Grade on the community college academic salary schedule is the following:
Grade 5 Median = 1.20 x Range 3 Median Grade 4 Median = 1.12 x Range 3 Median Grade 3 Median = Set by the formula above Grade 2 Median = 0.88 x Grade 3 Median Grade 1 Median = 0.80 x Grade 3 Median
n = Set by the formula above Grade 2 Median = 0.88 x Grade 3 Median Grade 1 Median = 0.80 x Grade 3 Median~~

~~The Min, Q1, Q3 and Max quartile values for each Grade on the community college academic salary schedule are:~~

~~Max = Grade Median x 1.466178 Q3 = Grade Median x 1.203361 Median = Grade Median as set above Q1 = Grade Median x 0.830879 Min = Grade Median x 0.681941~~

~~The above methodology (the percentage, median and quartile values) may be adjusted as part of the review and update of salary schedules under Title 4, Chapter 3, Section 34, and recognizes as a possible goal for future salary schedules to be indexed at the same percentage as the community college administrative faculty salary schedule.]~~

...

Section 3. Community College Academic Salary Schedule

1. Grades

All community colleges use a single salary schedule. The grades on the salary schedule are “categories” that correspond to the faculty member’s academic preparation as follows:

Grade 1 Less than a bachelor’s degree.

Grade 2 Bachelor’s degree or associate’s plus approved contact hours of occupationally related discipline¹⁰, or associate’s plus 60 upper level credit hours in an approved instructional field(s).

¹⁰ Occupationally related discipline equivalency will be determined at each campus. The ratio of academic credit to contact hours will be 1:15.

Grade 3 master's degree or a bachelor's degree plus approved contact hours of occupationally related discipline, or a Bachelor's degree plus 30 graduate credits in an approved instructional field(s).

Grade 4 master's degree with a minimum of 30 graduate credits in an approved instructional field(s), or equivalency or a bachelor's degree plus approved contact hours of occupationally related discipline, or a bachelor's degree plus 60 graduate credits or equivalency in an approved instructional field(s).

Grade 5 Earned doctorate. Equivalence can be approved by the president for a master's degree plus approved occupational contact hours or academic credits.

2. Initial Placement

- a. ***The initial placement of faculty on the salary schedule is in accordance with Title 4, Chapter 3, Sections 25 and 27 of the Board of Regents Handbook.*** ~~[The determination of grade for the purposes of initial placement of a faculty member on the academic salary schedule shall be based upon education. New hires shall normally be placed at the minimum of the appropriate grade, unless the institution chooses to consider relevant experience up to a maximum of twenty-five percent above the minimum. The institution guidelines for evaluating relevant experience shall be in writing and publicly available. Each year of relevant experience (as determined by the institution) will equate to an additional 2.5 percent up to the maximum stated above.]~~
- b. Consideration will be given to authorizing a higher salary in order to attract an applicant with qualifications in areas pre-defined as difficult to recruit. Faculty senate and/or Human Resources shall submit recommendations to the president for designating difficult to recruit positions. The president shall review the recommendations, determine the positions that are to be designated difficult to recruit, and forward the same to the chancellor. Designating difficult to recruit positions will be reviewed on a yearly basis by the System and approved by the chancellor. The president will make the final determination on initial salary placement for those positions determined to be difficult to recruit.

3. Movement on the Schedule. Salary increases, as set forth below, may occur as a result of the Community College Professional Advancement Program, cost of living adjustments, merit awards, salary equity adjustments, award of tenure, or promotional/rank/benchmark advancement.

- a. Community College Professional Advancement Program. Advancement from grade to grade on the salary schedule is governed by the Community College Professional Advancement Program set forth in Section 3 below.
- b. Cost of Living Adjustments (COLA). COLA is a Cost of Living Adjustment which may be funded by the Legislature. During years in which a COLA appropriation is provided, all academic faculty receive the same percentage COLA increase which is added to base salary.
- c. Merit Awards. Academic faculty shall be eligible to be considered for merit awards during fiscal years when a merit pool appropriation is provided. Each community college shall develop written policies and criteria by institution for the recommendation of merit awards. The written policies and criteria shall be drafted by the faculty senate and approved by the president, and shall be set forth in institutional bylaws. Until the adoption of institutional bylaws governing merit awards, faculty who has received a satisfactory evaluation, will be awarded an equal share of merit. Merit awards are added to base salary.

- d. Salary Equity Adjustments. Each institution shall adopt an Equity Salary Adjustment Plan agreed upon by the faculty senate and the president. The Plan must include but is not limited to the following:
 1. Providing for an initial and thereafter, biannual review of the salaries of academic for an initial and thereafter, biannual review of the salaries of academic faculty to determine whether a faculty member's salary is appropriate as compared to the salaries of other faculty at the institution based upon years of experience and educational attainment.
 2. Identify institutional resources to fund equity adjustments.
 3. Providing for appropriate adjustment of salaries which may be phased-in incrementally depending on funding resources.
 4. The salary equity study may be performed by institution personnel or the institution may hire an outside consultant as agreed upon by the president and the faculty senate.
 5. The results of an equity study shall be provided to the faculty senate.
 6. A faculty member may request an equity review of his or her salary.
 7. Reporting annually to the Board of Regents regarding the progress made in implementing salary equity adjustments identified in an equity study.
- e. Award of Tenure. Upon the award of tenure, an academic faculty member shall receive a minimum 2.5 percent increase in salary, which is added to the base salary. An institution may provide for a higher salary increase upon award of tenure in accordance with a written policy drafted by the president in consultation with the faculty senate.
- f. Promotional, Rank or Benchmark Advancement. In the institutional bylaws, by agreement of the president and the faculty senate, an institution may adopt other policies setting forth criteria and procedures for additional advancement within a salary grade range. The policies may include, but are not necessarily limited to criteria and procedures for promotional or rank advancement, or salary benchmarks within the grade ranges.

4. Other Salary Considerations

- a. All individuals employed on administrative faculty contracts that are eligible to receive legislatively appropriated merit and who are not on the academic faculty salary schedule will be given consideration for merit increases and will receive cost-of-living increases.
- b. All individuals employed on non-tenure track, Range 0 contracts that are eligible to receive legislatively appropriate merit and who are not on the academic faculty salary schedule will be given consideration for merit increases and will receive cost-of-living increases.
- c. Academic faculty who are required to work under calendar year contracts versus academic year contracts will negotiate additional salaries in view of their respective responsibilities and number of working days compared to the working days under an academic year contract. The factor used can vary, but will not fall below 1.2. Contracts falling between a B contract and an A contract will be developed in a similar fashion.
- d. ***Consideration must be given to faculty who teach in non-traditional areas including trade and industry. Faculty must be able to move from grade to grade using occupationally related experience.***

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Section 7. Part-Time Salary Schedules

- 1. The following schedule provides salary targets for NSHE institutions to reach as funding permits.

Type of Institution	Per-Credit Target
Universities	\$1,130
State College	\$1,074
Community Colleges	\$1,017

- 2. The salary schedule is derived from a formula calculation based upon a percentage of the entry-level semester salary for a university instructor on a nine-month contract, as described below.

Base Formula:

$$\begin{aligned}
 &\text{Annual entry-level University Instructor salary divided by 2} \\
 &\times \text{ Percent of semester salary based on 16-unit workload (6.25)} \\
 &= \text{Per credit target}
 \end{aligned}$$

The schedule will automatically increase with any cost-of-living adjustment provided to professional employees.

*Target amounts are based on FY 08-09. No adjustment made in FY 13.

- 3. The salaries for temporary part-time faculty at the state college shall be calculated at 95 percent of the university target. The salaries for temporary part-time faculty at the community colleges shall be calculated at 90 percent of the university target.
- 4. *The salary schedule for temporary part-time faculty shall be reviewed and updated at least every four years by the President’s office at each institution and approved by the Chancellor. Any proposed revisions to the schedules shall not go into effect until approved by the Chancellor. The Chancellor shall provide a report to the Board of Regents regarding any approved salary schedule changes. Salary schedule reviews and updates will not occur more frequently than annually.*