



NEVADA FACULTY ALLIANCE
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Date: December 18, 2019
To: NSHE Performance Pay Task Force
From: Kent Ervin, Legislative Liaison, Nevada Faculty Alliance
Subject: Task Force Proposal for discussion on 12/19/2019

Thank you for your work to find solutions for the serious compensation and equity issues for faculty at NSHE institutions. After the past legislative session, the ball is in clearly in NSHE's court to fix these problems.

We recommend the following points for the consideration of the Task Force:

- 1) **COLAs need to be fully funded for all state employees including faculty to match the Urban/Western Region Consumer Price Index.** The FY2020 increase of 3% offset by the 0.75% retirement contribution increase, followed by no COLA in FY2021, means we are falling further behind. The Urban/West CPI, running at 2.8% year-over-year as of November, only partially accounts for the rapidly increasing housing costs in Nevada.
- 2) **Delete now the language from the *Handbook and Policies and Procedures Manual* that prohibits professional merit awards without explicit legislative funding.** The legislature removed the language from the 2019 appropriations bill that in 2015 and 2017 disallowed use of state general funds for professional merit. That was a clear signal that the legislature allows full flexibility of both state funds and student revenue for performance pay. The NSHE code language should be deleted now to give the institutions flexibility to make optimal use of their salary budgets, including promotions, equity and compression adjustments, and performance awards. NRS 396.280 provides the statutory authority:

NRS 396.280 Salaries of academic staff. The Board of Regents shall have the power to fix the salaries of the academic staff of the System.

Delaying this action until this next legislative session will only allow salary compression and inversion problems to worsen. The institutions should be allowed to take steps now as they see fit, through the shared governance and/or collective bargaining processes.

- 3) **Do not mandate a fixed percentage for a performance pay pool without identifying a funding mechanism.** It would be irresponsible to place an annual tax of up to 2.5% for performance pay on institutional budgets without a way for those budgets to keep up. In the long term, that would cannibalize positions needed to maintain or improve faculty-to-student ratios, which are essential for providing high quality higher education. It would also differentially hurt the smaller colleges more than the universities.
- 4) **For a longer-term solution, seek to tie the resident Weighted Student Credit Hour formula funding as well as student fees and tuition to inflation as measured by the Higher Education Price Index (HEPI).** We believe that both COLAs and performance pay at reasonable levels can be funded if both state funding and student fees keep pace with HEPI, which after all includes faculty salaries nationwide.
- 5) **In legislative requests for budget enhancements, emphasize the need to achieve 350-to-1 student-to-advisor ratios, 18-to-1 student-to-faculty ratios at the universities, and appropriate student-to-faculty targets for the two- and four-year colleges.** This data-driven approach emphasizes the programmatic needs to provide high-quality educational programs for students. If that funding level is achieved, NSHE institutions can establish competitive, comprehensive faculty compensation systems on their own without begging for a salary enhancement every session.
- 6) **Do not neglect performance pay funding for the non-formula budget programs,** which do not have any student funds. Those programs include the professional schools, athletics, and other state-wide programs such as Cooperative Extension. State funding for those programs must increase at the same HEPI inflation rate as for the instructional formula budgets.

A long-term, sustainable solution is within reach with an unified approach from NSHE, the Regents, and faculty groups. Thank you for your consideration.

The Nevada Faculty Alliance is the independent statewide association of faculty at all eight NSHE institutions. We work to empower faculty in our mission to help students succeed. The NFA is the collective bargaining agent for faculty at the College of Southern Nevada, Truckee Meadows Community College, and Western Nevada College.