

July 1, 2024 Salary Schedule Recommendation

The Human Resources Advisory Council (HRAC) recommends a consistent percentage increase be applied to all published schedules effective July 1, 2024. This recommendation is aligned with current NSHE policy requiring a recommendation be delivered to the Chancellor on or before October 1 of each year between four-year studies. Policy further indicates the recommendation will be shared with NSHE Presidents and Faculty Senate for a thirty-day comment period.

This recommendation for application of an across the board approach is to support a process that will be straightforward to explain to stakeholders and result in an efficient administration of the updates to the schedules. NSHE salary schedules have been developed based on market data. HRAC recommends that updates to the schedules for intervening years, between four-year studies, employ market data. The following information summarizes the approach and resulting recommendation.

Selection of Data Sources

Three sources of data were utilized to develop this recommendation.

- College and University Professional Association for Human Resources (CUPA HR) is the recognized leading data source for higher education. Several NSHE institutions participate in their annual salary surveys alongside approximately 1,300 institutions around the country.
- American Association of University Professors (AAUP) Faculty Compensation Survey gathers data from institutions across the United States and publishes results each April. Their respondents include 900 institutions surveying 370,000 academic positions. They take a unique approach in their survey to control the quality of their year-over-year analysis. Unlike most salary surveys, they ask the respondents to look at the same group of positions year-over-year. New hires are excluded and a position is removed if the incumbent left the position. They publish an *Annual Report on the Economic Status of the Profession* with year to year pay changes.
- The Bureau of Labor Statistics publishes an Employment Cost Index which measures the change in labor costs to employers over time. This data was used to develop an aging factor for the time lapsed from the most recent data collection in November 2022 to March 2024.

See Appendix A for hyperlinks to the data sources and screen shots of the data utilized.

Time Period Reviewed

CBIZ completed the most recent salary schedule update in June 2022 for implementation July 1, 2022. Edward Rataj, Managing Director, Compensation Consulting Services at CBIZ, was consulted for input on the market data used for the salary schedule review finalized in June 2022. He indicated, "The market data were effective as of November 1, 2021." Market data was not aged for the purposes of the CBIZ analysis because the data utilized was approximately eight months old. These were important questions to have answered in order to establish how to proceed. The following timeline shows the intervening years since the four-year salary study and the lead up to the effective date for the recommendation.

CBIZ Study Data	Year 1: 21/22		Year 2: 22/23		Aging: 23/24	
	Last Schedule Update	New Data	No Schedule Update	New Data	Aging Date	Schedule Update
11/1/2021	7/1/2022	11/1/2021	7/1/2023	11/1/2023	3/1/2024	7/1/2024

HRAC Recommendation

Year 1 data suggests the following:

- The average rate of increase for administrative faculty is 3.25% as reported by CUPA HR
- The average rate of increase for academic faculty is 2.0% as reported by AAUP
- The combined average rate of increase is 2.6%

Year 2 data suggests the following:

- The average rate of increase for administrative faculty is 4.45% as reported by CUPA HR
- The average rate of increase for academic faculty is 4.1% as reported by AAUP
- The combined average rate of increase is 4.25%

The aging factor has varied between 3.2% and 4.9% in the ECI published figures and we project slowing increases in the next two quarters based on leading indicators. Next year, this figure will be subtracted and replaced with the actual figure for the market pay rate increases from CUPA-HR and AAUP. The aging factor recommended is 3.15%.

The total recommendation calculation is as follows:

Year 1: 21/22	+	Year 2: 22/23	+	Aging: 23/24	=	Total Market Increase
2.6%		4.25%		3.15%		10.0%

The result of an approved recommendation would multiply every figure on the published schedules (including minimum, quartiles and maximum) by 1.10 to publish the revised schedules effective July 1, 2024. These revised schedules will be published for use in hiring beginning in Spring 2024 for newly hired academic and administrative faculty with hire dates on July 1, 2024 and after.

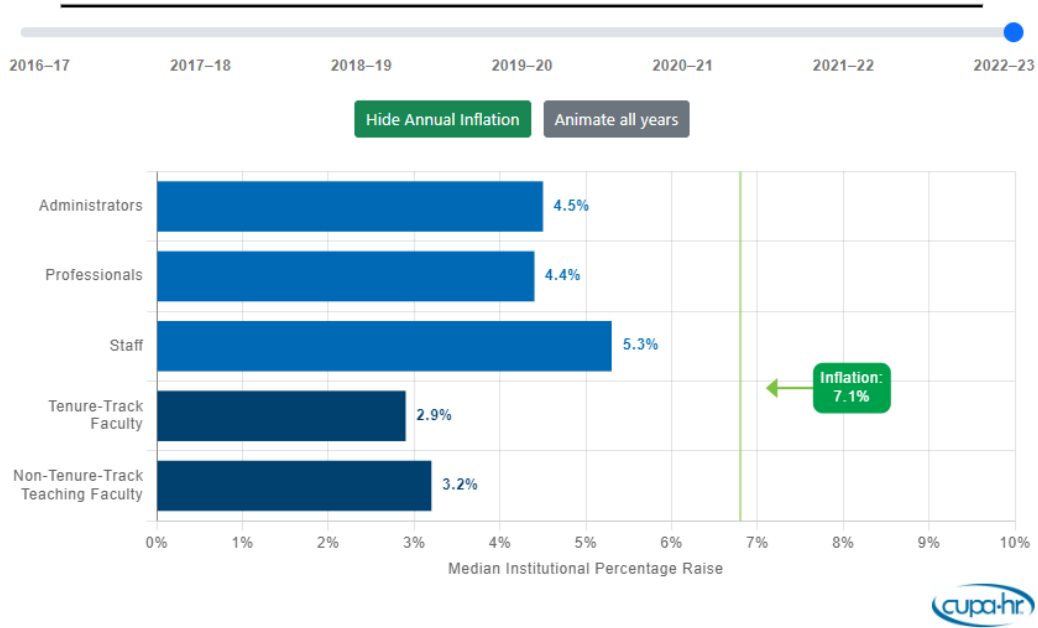
Appendix A

CUPA HR – Annual Workforce Data

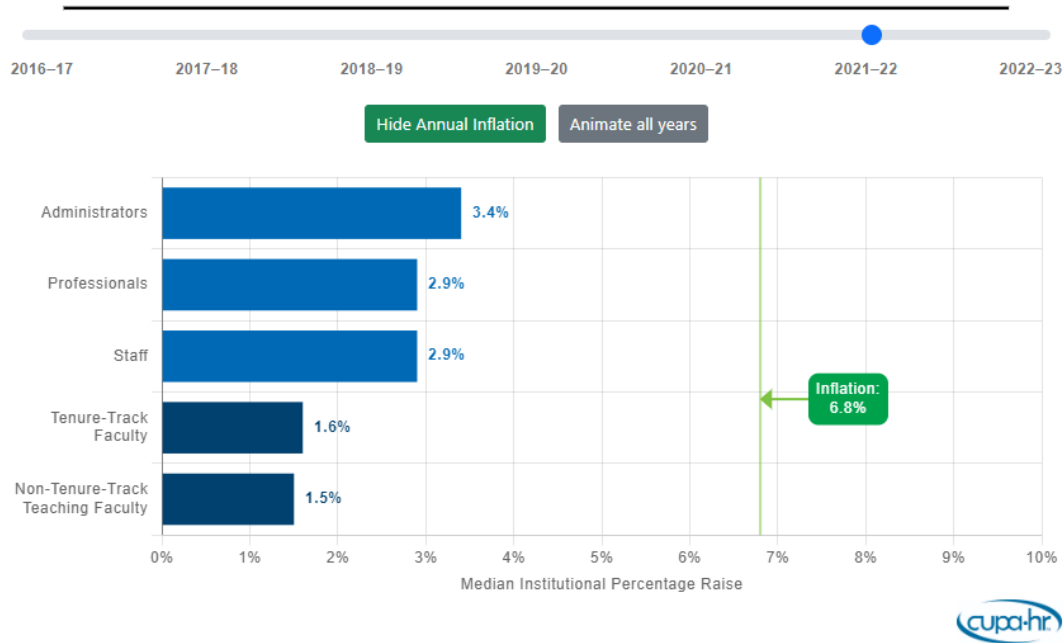
Higher Ed Workforce Pay Increases – March 2023

<https://www.cupahr.org/surveys/workforce-data/workforce-pay-increases/>

2023 Workforce Surveys
Annual Pay Increases by Position Type



2023 Workforce Surveys
Annual Pay Increases by Position Type



AAUP – The Annual Report on the Economic Status of the Profession

<https://www.aaup.org/report/annual-report-economic-status-profession-2021-22>

- From 2020–21 to 2021–22, average salaries for full-time faculty members increased 2.0 percent, consistent with the flat wage growth observed since the Great Recession of the late 2000s.
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<https://www.aaup.org/report/annual-report-economic-status-profession-2022-23>

- From fall 2021 to fall 2022, average salaries for full-time faculty members increased 4.1 percent for all academic ranks combined, the greatest one-year increase since 1990–91.
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Employment Cost Index – US Bureau of Labor Statistics

<https://www.bls.gov/eci/home.htm>

Quarterly percent change values range from 3.2% to 4.9%.