

# **BOARD OF REGENTS BRIEFING PAPER**

**Agenda Item Title:** Proposed Amendments to Code, Title 2, Chapter 5 and to Title 4, Chapter 3 to Allow More Frequent Salary Schedule Reviews and to Delegate Authority to Approve Salary Schedules to Chancellor

## **1. BACKGROUND & POLICY CONTEXT OF ISSUE:**

Board of Regents' Code, Title 2, Chapter 5, Section 5.5.1 and Title 4, Ch. 3, Sections 25, 26, 34, 38-40 require salary schedules to be reviewed every four years and Board approval.

## **2. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:**

Approval of Handbook amendments to allow more frequent salary schedule reviews and to delegate authority to approve salary schedules to Chancellor.

## **3. IMPETUS (WHY NOW?):**

The 2012 salary schedule updates are based upon CUPA-HR, Oklahoma State University and other data which is collected annually. The salary data is available electronically. The salary schedules can be easily updated using this data on a regular basis more frequently than every four years.

## **4. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:**

- Annual electronic salary data is available to allow regular salary schedule updates.
- Salary schedules should be updated more frequently than every four years to keep the schedules current for purposes of recruitment and retention.
- The proposal does not require more frequent salary schedule updates, but would allow updates to occur with the approval of the Chancellor.
- Salaries are not increased when the salary schedules are updated—only faculty who are below the minimum are usually brought up to the minimum.
- The Chancellor, with the assistance of the presidents and faculty, can regularly update the schedules based on the available salary data.
- Salary schedules would not be updated more often than annually.
- A report regarding any salary schedule changes would be provided to the Board of Regents.
- Specialty salary schedules (law, medicine, dental, engineering, accounting, marketing and economics) may also be updated more frequently based on market or discipline specific salary data.

## **5. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:**

- There is no need for more frequent salary schedule updates.
- Exceptions to the existing schedules can be made for initial placement and initial salaries.
- Salaries above the range can be approved.
- Board should approve salary schedules.

## **6. ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:**

Do not change current policy.

**7. COMPLIANCE WITH BOARD POLICY:**

<input type="checkbox"/> Consistent With Current Board Policy: Title #_ Chapter #_ Section #____
<input checked="" type="checkbox"/> Amends Current Board Policy: Title # <u>2</u> , Section # <u>5.5.1</u> Title # <u>4</u> , Chapter # <u>3</u> , Section # <u>25, 26, 34, 38-40</u> .
<input type="checkbox"/> Amends Current Procedures & Guidelines Manual: Chapter #____ Section #____
Other:
<input type="checkbox"/> Fiscal Impact: Yes _____ No <u>X</u>
Explain:_____

**POLICY PROPOSAL – *HANDBOOK - CODE***  
**TITLE 2, CHAPTER 5, SECTION 5.5.1**

Salaries

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

**Section 5.5 Salaries**

**5.5.1 Development and Review of Salary Schedules.** *The salary* [Salary] schedules for the universities, *Desert Research Institute*, special units, state college, and the community colleges shall be reviewed ***and updated at least*** every four years ***by the Chancellor, with the assistance of the presidents and faculty*** [~~in an odd-numbered year, by joint efforts of the faculty, the presidents and the chancellor~~]. The salaries paid to part-time instructors shall be reviewed ***and updated at least*** every four years, including a review of benefits paid.

Any proposed revisions to the schedules shall not go into effect until approved by the ***Chancellor*** [Board of Regents]. ***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 2/08)

## POLICY PROPOSAL - HANDBOOK

### TITLE 4, CHAPTER 3, SECTION 25

#### Executive Salary Schedule

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

#### Section 25. Executive Salary Schedule

1. Development and Review of Salary Schedules. Executive salary models for all executive positions shall be reviewed *and updated at least* every four years, [~~in an odd-numbered year~~]. The Chancellor, in consultation with the presidents, is charged with reviewing *and updating* the schedules [~~and presenting them to the Board for approval~~]. *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.* Executive salary schedules are to 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 [~~in odd-numbered 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. Chancellor: The initial salary for the Chancellor shall be set by the Board of Regents.
3. System Executive Staff: The initial salary for the Vice Chancellors and the Director of the University of Nevada Press shall be recommended by the Chancellor and approved by the Board of Regents.
4. Board Officer: The initial salary for the Secretary to the Board shall be set by the Board.

**POLICY PROPOSAL - HANDBOOK**  
**TITLE 4, CHAPTER 3, SECTION 26**  
Initial Placement on the Salary Schedule

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

**Section 26. 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.
2. Initial placement for positions will be made within the range for that position as reflected in the [~~Board~~] approved salary schedule. Placement should be based on factors such as prior experience, appropriate credentials, length of service, and quality of performance. Initial placement must generally fall between the minimum salary and Q2, except for those initial hires with substantial experience and/or credentials relative to the position.
3. Recommendations for initial placement at a level higher than Q2, but within the range, must be accompanied by written justification and evidence of substantial experience and/or credentials relative to the position, and approved by the President or Chancellor, as the case may be. Initial placement for institutional positions above the salary range may be approved by the Chancellor if the institution President provides written justification which established that the candidate is unlikely to accept employment without an exception to the salary schedule in consideration of relevant criteria such as the candidate's extraordinary qualifications and experience, the competitive nature of the field or discipline, and the candidate's salary history. This exception is intended to be construed narrowly and should be limited to only a few exceptions per institution each year. The Chancellor may only approve such an exception after consultation with the Board Chair. On July 1 of each year, the Chancellor shall provide an annual report to the Board of any exceptions approved during the immediately preceding fiscal year.

**POLICY PROPOSAL - HANDBOOK**  
**TITLE 4, CHAPTER 3, SECTION 34**  
Salary Schedules

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

**Section 34. Salary Schedules**

*The Chancellor, with the assistance of the presidents and faculty, shall review and update the [E]xecutive, academic, and administrative salary schedules for the universities, state college, and community colleges **at least every four years** [shall be developed by the Chancellor's office and approved by the Board of Regents every four years in odd-numbered 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.***

**POLICY PROPOSAL - HANDBOOK**  
**TITLE 4, CHAPTER 3, SECTION 38**  
Summer Term Salary Schedules

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

**Section 38. Summer Term Salary Schedules**

Salary schedules for summer session faculty at all NSHE institutions shall be *reviewed and updated annually* [developed] by the *President's* [Chancellor's] Office *at each institution* and approved [annually] by the *Chancellor* [Board of Regents]. *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.* (B/R 10/04)

**POLICY PROPOSAL - HANDBOOK**  
**TITLE 4, CHAPTER 3, SECTION 39**  
Part-Time Salary Schedules

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

**Section 39. Part-Time Salary Schedules**

The salary schedule for temporary part-time faculty shall be *reviewed and updated at least every four years* [developed] by the *President's* [Chancellor's] Office *at each institution* and approved by the *Chancellor* [Board of Regents]. *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 10/04)

**POLICY PROPOSAL - HANDBOOK  
TITLE 4, CHAPTER 3, SECTION 40**

Enhanced 12-Month Contracts for Academic Nursing Faculty  
(UNLV, NSC and CSN only).

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

**Section 40. Enhanced 12-Month Contracts for Academic Nursing Faculty (UNLV, NSC and CSN only)**

The following provisions are applicable to the University of Nevada, Las Vegas, Nevada State College, and the College of Southern Nevada only:

1. If the institution adopts a three semester model for its nursing program, the institution may employ full-time academic nursing faculty under a B3 contract.
2. Nursing faculty employed by the institution under a B3 contract must adhere to the faculty workload requirements defined in Title 4, Chapter 3 for each of the three semesters. The institution will report annually to the Chancellor's office the number of academic nursing faculty employed under B3 contracts and the total number of credit hours taught during each semester of contract.
3. Compensation for academic nursing faculty under a B3 contract shall be determined based on the *approved* 9-month academic salary schedules approved by the *Chancellor* [~~Board~~] times 1.5.

(B/R 10/07)