

## Salary Competitiveness

Discussion Document Based on Discussion of the Academic Deans,  
Vice President for Research, and Provost

### Issue and Action

The salary gap between market and current salaries for all categories of employees has increased over recent years. This distance from market weakens our competitiveness as a land-grant research extensive university, accelerates the departure of key personnel, and reduces our capacity to serve students, our research and outreach enterprises, and economic development in Idaho. The UI must take immediate action to reduce the gap.

### Premise

The primary objective in addressing salary concerns is to meet our Role and Mission and increase the quality of our programs and graduates.

- Systems and mechanisms must be established to make salaries market competitive for all categories of UI employees who perform at a satisfactory or higher level
- Nationally competitive faculty, staff and students are required to sustain major grants and contracts and outreach programs
- Competitive faculty and staff salaries reduce departure of key personnel, and strengthens the university and its capacity to serve students, the research enterprise and the state
- There is an increasing number of faculty departing the UI for financially more attractive jobs at other institutions
- State funded Change in Employee Compensation (CEC) increases will not be sufficient to significantly close the gap in the next few years
- Increasing the number, types and amounts of revenue streams is critical to our university's financial health and institutional stability
- Grants and contracts and outreach programs are two activities that create revenue streams
- Selected enrollment growth creates revenue and balances load across the university
- Sustainable increases in salaries and benefits can also be created through increased productivity.

### Approaches

We encourage the consideration of various non-exclusive approaches for strengthening salary competitiveness and will implement one or more of these approaches to advance the institution towards that objective. The following are selected examples, and we welcome other ideas. These suggestions are not intended to replace or limit current RCM procedures that are being used to address salary competitiveness.

1. Make an annual commitment to dedicate a portion of institutional funding growth to salaries.

#### Pros

- Opportunities for faculty, classified staff, NFE employees and graduate students
- Provides continuous change in base salary
- Easily incorporated into the annual salary setting process

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### Cons

- Requires prioritization of salary increases against various unfunded mandates, and other program investments
- May require annual reallocation of university resources and the associated discipline to cover other requirements
- May shift greater responsibility for employee salaries from the state to the university

2. Continue and encourage temporary salary adjustments through the current Additional Compensation and Salary Enhancement policy.

### Pros

- Does not require the reallocation of university resources

### Cons

- Differentially provides opportunities for faculty
- Potential for creating a multi-class system
- Limited opportunities for classified staff and NFE employee participation
- Increases administrative oversight
- One-time change that does not affect base salary

3. Allow faculty to use external grants and contracts and outreach activities to leverage higher salaries.

### Pros

- Does not require the reallocation of university resources
- Potential to provide changes in base salary
- May increase the size of the average grant or contract

### Cons

- Differentially provides opportunities for faculty with the potential to create a multi-class system
- Limited opportunities for classified staff and NFE employee participation
- Increases administrative oversight
- May shift greater responsibility for faculty salaries from the state to the university

4. Give more one-time raises and bonuses

### Pros

- May be more manageable in the short-term
- Base budget is not increased
- Pool of funds used to fund one-time salary can be used as a buffer against holdbacks and budget reductions

### Cons

- Will require new policy on requirements and criteria for raises and bonuses
- Will require institutional commitment to continually identify and allocate one-time money
- Differentially provides opportunities for employees with the potential to create a multi-class system

Working together we are committed institutionally to make progress toward achieving salary competitiveness. Through a dedicated effort, we believe that flexibility and a variety of approaches will attain competitive salaries and help ensure the university's financial health and institutional stability.