

University of Washington  
Faculty Council on Faculty Affairs  
October 29, 2013, 9:30 am – 11:00 am  
Gerberding 142

**Meeting Synopsis:**

1. Call to Order
  2. Approval of the Minutes from October 15, 2013
  3. Report from the Chair
  4. Faculty Salary Policy
  5. Adjourn
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**1) Call to Order**

The meeting was called to order by Chair Watts at 9:30 a.m.

**2) Approval of the Minutes from October 15, 2013**

Minutes from October 15, 2013 were approved as amended.

**3) Report from the Chair**

*Academic Freedom*

Watts reported that the Class A legislation on Academic Freedom from last year passed its first reading at the Faculty Senate, and John Lee, Faculty Senate President, added further details. The legislation has been approved by the President and it is now being worked on by Rebecca Deardorff (UW Rules Coordinator) and the code cops to address minor concerns related to some of the wording. Discussion ensued about how the legislation covers teaching assistants (TAs). TAs are part of a collective bargaining unit which have their own separate agreements with the administration, so there is some uncertainty in how this will affect them. First amendment rights may be different for undergraduate versus graduate students since they have separate arrangements with the university.

*Clean-up of the Faculty Code*

Watts is still waiting to hear back from Marcia Killien (Secretary of the Faculty) and Deardorff about the minor changes that will be made to the Faculty Code. There has been a series of additional changes to the Faculty Code identified by Killien which is now available on FCFA's Catalyst site. Watts encouraged the council to review the suggestions which will be discussed at the upcoming meeting. The council may want to determine when these changes should be introduced to the Faculty Senate. For example, the council can introduce the changes to the Senate Executive Committee by their November 18<sup>th</sup> meeting or wait until the end of calendar year.

*Professor of Practice*

The discussion on the new classification of "Professor of Practice" will continue at the upcoming meeting when Cameron is present. Watts has developed a list of issues regarding the discussion and asked members to send him feedback.

#### 4) Faculty Salary Policy

Jack Lee, Chair of the Faculty, presented on a new proposal that would restructure the faculty salary system. The origin of the proposal resulted from the fallout of the financial crisis when past-President Mark Emmert cancelled the 2% merit increase during the first year of the crisis. At the time there was little pushback, even when the merit increase was cancelled in the second year. However, there was a big outcry when Emmert preemptively cancelled the merit increase in the third year. The combination of cancelling the merit increases, the salary gap, and compression issues led many to believe the current salary policy is broken. When President Michael Young came into office he saw the problem and created a task force to create a new salary policy. Lee stressed that his presentation of the new salary policy are just tentative proposals, the information he is providing is just to convey the consensus within the task force. Lee hopes to have a much more detailed description of the proposal at a later time.

The fundamental purpose for the faculty salary policy in 2000 was to recruit and retain faculty. However, the main goals did not play out in implementation. Instead, UW would recruit new hires at market rates, and in order to retain current faculty, provide large raises only when they received outside offers. Consequently, this created an environment in which long serving faculty members, no matter how meritorious, ended up with much lower salaries compared to their peers. Lee provided a graph that compared salary to years since obtaining a degree. Since the current salary policy went into effect in 2001 UW salaries have stagnated compared to peers and would need to increase by 12% on average to match peer institutions (known as the salary gap). The gap tends to be larger for more senior faculty than more recently hired faculty. Initially, the gap decreased during the recession but dramatically increased in the years that followed. In order to recruit and maintain faculty UW needs to motivate and reward excellence. Additionally, UW can be more successful in recruiting if the institution can provide reasonable assurance that faculty will receive a competitive salary as they continue with the university.

##### *The Proposal*

The proposal is composed of four main pillars:

- Rank promotion raises - 12% instead of 7%
- Merit tiers within ranks - 8% raises when prompted (approximately every 4 years)
- Market adjustments (not COLA) - annual to all meritorious faculty based on CPI
- Equity adjustments - variable (approximately 1% per year)

The merit tiers would be broken up as followed:

- Assistant professor - 1,2
- Associate professor - 1,2,3
- Professor - 1,2,3,4,5,6,7,8

##### *Tiered System*

The tiered system is similar to the University of California step system. However, it avoids step increases because steps are tied mostly to a seniority system rather than merit. The problem associated with the UC system is that each step has a fixed salary across the entire system. This causes problems and prompts campuses to provide salary supplements which moves away from the original intent of the step

system. The task force decided to not follow that model and just provide raises when faculty members are promoted. An additional change with this new proposal would remove annual merit reviews. In the proposal, tier promotions would occur approximately every 4 years. The idea is to allow departments to put up faculty members for merit review at any time (mandatory after 5 years). Presumably, the department can make that judgment. Based on the merit review the result could be:

- No merit
- Meritorious but not tier promotion now (recommended within the next year)
- Tier promotion

Once the faculty member gets a tier promotion they will receive an 8% raise. Although the goal is to encourage a 4 year time span it may be difficult to incorporate the expectation into code language because the promotion is in the hands of a professor's department. A question was raised about the role and scheduling of peer teaching evaluations within the department. This issue has not yet been addressed but will be considered.

In cases where a department has a real superstar, the faculty member could receive 2 merit promotions at one time or receive the promotions more quickly than once every 4 years. The hope is that by allowing for flexibility in tiered promotions departments can avoid retention raises. Lee explained that the tier promotions will not require outside letters and are based on a professor's demonstration in continued excellence in teaching, research and service.

The final tier, tier 7 for full Professors, would come with a label of "distinguished professor" (or similar) which would signify the individual's excellence in the field, international recognition, and superb teaching abilities. In order to reach this promotional tier outside letters would be required.

#### *Assistant Professors*

There are a limited number of tiers for each rank. Assistants would have 2 tiers and any code language would state that obtaining tier 2 should accompany reappointment. The plan also proposes to change the timing for reappointment: the evaluation should occur in year 3 rather than year 2, with the reappointment to take effect at the beginning of year 4.

A question was raised asking if somebody could be appointed in the middle of a tiered sequence, rather than starting at tier 1. The tier at the initial hire would be set at a level similar to salaries within the rest of the department. However, this would create problems when taking into consideration the compression issue. Due to the complexity, it would be advantageous for the department and the candidate to hire new faculty at Assistant Professor tier 1. However, this system would create the possibility of gaming the system in which an individual at 3 years wants to be promoted to Assistant tier 2, then move up to Associate Professor during the next year. Ideally, the rank promotion system should be seen as a big carrot to incentivize faculty to move up in rank rather than in tiers. Perhaps the proposal could address this issue by requiring the department to explain why the faculty member is moving up a tier, rather than rank, in their merit review. If the recommendation is not convincing, perhaps the Dean could deny the promotion.

A statement was raised that if instead of reviewing decisions on merit promotions, perhaps the Dean could attach a time limit between tiered advancement and when a faculty member is eligible. This was

discussed by the task force, but if the individual does something significant or receives an outside offer the department should be flexible in using the tiered promotion process to retain them.

### *Associate Professors*

The proposal current has 3 tiers at the Associate level with an average time of 8 years to move to full Professor. Most faculty would move up to this rank by the end of Assistant Professor tier 2, where some may take longer and require reaching tier 3 before moving up in rank. For the most part, if a faculty member has been an Associate Professor for more than 12 years he/she will not likely be promoted to full Professor. One thing to consider is setting up a system for those who stay at the Associate level. Unfortunately, the fact of not being promoted in rank can be considered a judgment of merit. On the other hand, there are a lot of long-time Associate Professors who will not get promoted but the department does not want to consign them to only CPI raises. The task force is considering allowing departments to request adding an additional tier for Associate Professors to address the problem. For example, an Associate Professor who never writes his/her second book but does spectacular teaching could be rewarded by their department with an additional tier promotion, perhaps up to tier 5.

Concern was raised that there would be a disconnect between continuous tiered promotions and stopping at tier 3 before promotion in rank because departments would consider the criteria differently than other units. Discussion ensued. Some faculty members do not want to move up in rank due to the administrative duties of a full Professor. Since this could be a problem it would be helpful to get data on this issue.

### *Full Professors*

The task force proposed a cap on tiered salary raises for higher-income faculty at 8% of the average UW full Professor salary. Currently, the average is \$125,000 which would amount to \$10,000. A question was raised is this would allow the School of Medicine the ability to retain faculty in a competitive job market. Lee will talk with the executive office of the school to gather feedback. There is more concern about the length of time between tiers because the school offers regular merit raises at 2-4% every year including supplemental pay. Additionally, the school offers lots of retention raises to keep faculty. While this is a unique system, it does work for them. There was some initial confusion about how the proposal could be incorporated with current activities but it is possible to use it to their advantage. Perhaps the 8% merit increase could be changed by school/department based on the Provost's decision.

Lee explained that in taking the current UW faculty population based on time/rank, and using this new system based on the model provided, the average annual salary increase (2%) would match peer institutions.

### *Academic Inflation*

On average peer salaries are increasing 1% faster than CPI. Up until the recession CPI was increasing 3% on average, now it is at 1.5%. The rate in which peer salaries increase faster than CPI is what Lee calls "academic inflation" and should be incorporated into the new salary policy to keep up with peers. The gap between UW and peer institutions shrank prior to the recession because salary was increasing more than 1% over inflation, but during the recessions UW salaries froze while peers continued to increase which widened the gap.

### *Market Adjustments*

Market adjustments would be awarded annually to each faculty member who was declared meritorious in his/her last merit review. This would apply to every faculty member every year. Lee mentioned that the consequence of no merit rating would lead to no market adjustment. Work needs to be done to figure out how to incorporate this language into the Faculty Code, or if it should be detailed through an Presidential Executive Order. Perhaps somewhere in the language the code should state the market adjustment would be tied to the CPI.

### *Equity Adjustments*

Equity adjustments would be variable amounts made available whenever possible. The salary policy needed another ingredient in order to be flexible, keep pace with peer institutions and address inequities in pay. For example, if two professors are hired at the same time at the same level, and one receives an offer from a peer institution which leads to a tiered promotion, then a gap occurs between the two equal professors. The result would be that the department would give a chunk of available equity money to the other professor to balance out the inequity in salary between the two.

### *Finances*

Once the faculty salary system hits a steady state the rank and tier promotion raises would be self-funding and would not require extra money to be pumped into the system to address CPI and academic inflation. The funding that becomes freed up by retiring faculty would go back to new hires and current faculty. However, this will only work if Deans and college chairs do not take the funding out of the system for other expenditures within their departments. With Activity Based Budgeting there would be little motivation to pocket the extra funding because the money freed up would be earmarked for salary. Currently, retirements are not funding enough for the rank and tier promotion system so the task force is proposing costs at about 2% of the salary base (which is currently at 1%). Therefore, a gap has occurred which will require retirement adjustments to fund the rank and tier promotions until the system hits a steady rate.

The costs that would occur in order to fully close the gap over a 6 year period would include:

- Retirement adjustment – 1% increase
- Market adjustment – 2% increase
- Equity adjustment – 2% increase

In a scenario where UW cannot find the money it would just follow the CPI adjustments of 1% in order to ensure the system continues to work. In the long term, once the system hits a steady rate the only adjustment will be the CPI adjustment.

### *Retention*

The proposal would not put a limit on retention raises because they will still be needed to respond to outside offers. However, if the system works there will be less need to use retention raises. The task force has proposed that any retention raises should be accompanied by one or more tier promotions. For example, a faculty member who is receiving an outside offer could receive a 16% retention raise that also comes with a 2-tier promotion. If done this way, the promotion resets the merit review clock.

## *Financial Crisis*

In the event of a financial crisis several steps could be taken (steps ranked by order):

1. Equity adjustments could be reduced or eliminated
2. Market adjustments could be reduced or eliminated, provided that the Provost certifies the change after consultation with the Senate Committee on Planning and Budgeting.
3. Raises associated with tier promotions could be delayed. The actual tier promotion would go ahead as usual when the faculty member is ready for the promotion. However, raises would be delayed until the financial system improves when everyone who received a tier promotion will receive the raise (but not retroactively). This would happen only after consultation with the SCPB.
4. Raises associated with rank promotions could be delayed. Lee stated that it is unlikely this would happen because rank promotions continued even during the recent recession.

## *Schedule*

During the Fall and Winter Quarter of 2013-14 the task force will be requesting public feedback and suggestions. Lee will be providing a written, detailed description of the plan which will be coming out shortly along with a FAQ. Lee will be visiting departments, colleges, schools and campuses to receive feedback and provide an online forum for public comment on the proposal.

The task force will also be writing code during this time period with the assistance of the council and Jack Johnson from the President's office. Jack Johnson volunteered to write the first draft of the proposal with faculty input which Lee believes to be critical in creating buy-in from the President's office. This should be occurring in early November, and once the language is drafted Lee will present it to the council. A comment was made that faculty should be careful when drafting the language to ensure faculty concerns are protected. The plan is to have Watts and another representative from the council to work with the task force and contribute their suggestions while the language is being drafted. Lee commented that the President is supportive of this proposal and the Deans have expressed support, especially the motivational aspects of the proposal.

Lee stated that he hopes to propose Class A legislation to the Faculty Senate, and sent to a full faculty vote, by the end of Spring Quarter 2014.

## *Questions*

A question was raised about the mechanisms that will be put in place to monitor compliance. It is important to ensure that the Provost is tracking the implementation across campuses in different departments. Discussion ensued. Perhaps the proposal would require the Provost to review reports from Deans and Chancellors each year. A comment was raised that people may submit a public records request and it would be better to build this process into the system at the beginning.

Concern was raised that faculty above the age of 60 will not be affected by the efforts to close the salary gap. Lee understood that this proposal would not be able to solve the compression problem for those faculty members but stressed that the political ramifications of giving 20% raises to the most senior

faculty members would be disastrous, even if they deserve it. However, this proposal would provide opportunities that were not available before such as CPI increases and equity adjustments.

## **5) Adjourn**

The meeting was adjourned by Chair Watts at 11:00 a.m.

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*Minutes by Grayson Court, Faculty Council Support Analyst. gcourt@uw.edu*

**Present:**           **Faculty:** Watts (Chair), Adam, Buck, Janes, Johnson, Landis, Vaughn

**Ex-Officio Reps:** Zanotto, Rees

**Guests:** Jack Lee (Chair of the Faculty)

**Absent:**           **Faculty:** O'Brien, Stygall (on leave)

**President's Designee:** Cameron

**Ex-Officio Reps:** Henchy