UNIVERSITY of WASHINGTON

May 20, 2016

Voting Members of the UW Faculty

Dear Faculty Member:

The Faculty Senate has voted by a strong majority to send a new **faculty salary policy** to you for an up-or-down vote. You will receive your ballot by email. An affirmative vote from you is required to enact the policy. This is an historic opportunity, and we hope you will vote YES.

This is the most substantive legislation from the Senate in decades: the policy would impact thousands of faculty members who draw a UW salary, from lecturers to professorial faculty (tenure line, research, and WOT), whether supported by institutional or grant and contract funds.

This legislation empowers faculty by bringing more of the resources the University invests in faculty salaries under faculty control, thereby reducing reliance upon retention raises.

We urge you to become informed before you vote. At a minimum, please read the short statement of support we wrote that is included with your ballot. For an expanded account, please read this letter. If you want even more detail, see faculty.washington.edu/johnmlee/salarypolicy/ and various links below. Feel free to attend a Q&A forum Wednesday, May 25, 2016, 4:00-5:30 pm, in Miller 301.

The new policy is the product of a Salary Policy Working Group comprised of faculty (the charter members have signed below) and administrators appointed in 2012 by former President Young. The working group studied the performance of our current salary policy and salary systems at peer institutions. We interviewed administrators and faculty members from several University of California campuses. The working group then developed a proposal, which was improved upon after extensive consultation with schools and colleges on all three UW campuses.

Current Problem

The problem with the current system is obvious to any faculty member who has lived in it. The 2% per year across-the-board allocation ("regular merit") coupled with the discretionary allocation ("additional merit"), have together totaled about 2.5% per year on average over the 16-year life of the policy. This has been far too small to keep pace with the academic salary marketplace. We have thus been overly reliant upon deans to sporadically back-fill the deficiency using "retention" or, less commonly, "unit adjustment" raises. The system feels unpredictable and, to many, unfair.

Proposal

The working group developed a policy that will bring more of the resources we invest in faculty salaries under faculty control. The new legislation provides these changes:

- 12% promotion raises (replacing 7.5%)
- CPI-based "market adjustments" (replacing 2% "regular merit")
- A new category, performance-based "tier advancements," 8% every 4 years on average
- Flexible "variable adjustments" (replacing "additional merit" and "unit adjustment")
- (Retention policy is unchanged).

The new tier advancement category is especially important. Tier advancements, *under faculty control*, assure that individual performance is rewarded throughout a career, reducing the need for retention raises *under dean control*. The tier advancement raise size and average frequency (4 years), together with the

CPI-based raise, were chosen to assure improved salary progression. Nevertheless, provisions allow department-level customization of these raise amounts under faculty control.

A vote of your faculty colleagues at the department level is required for you to receive a tier advancement. Tier advancements are performance-based; their frequency will vary by individual, but for full professors and principal lecturers, on average they should occur about every 4th year. The dean must approve tier advancements, but the new policy is clear that if you have met the performance standard, absent financial stress, the raise must be funded. In the event of financial stress, the tier raise may be delayed, but not denied.

The new policy allows for additional annual investment in faculty salaries at the discretion of the dean through "variable adjustment". Variable adjustment allocations can differ by department. The details of distribution of these raises to individuals within a department are under faculty control on the basis of performance, equity, or other considerations.

As requested by various schools/colleges, the new policy allows for customization at the department level of the CPI-based raise, the tier raise percentage, and the maximum tier raise size (if any) by vote of the faculty, within limits sets by a Presidential executive order.

Furthermore, but again only under authorization by a faculty vote, schools, colleges, or campuses can entirely "opt out" of the tier advancement system, in which case dean-authorized variable adjustments will be critical for performance-based progression of faculty salaries. We recommend that faculty think carefully before voting to opt out of the tier system!

Like the current faculty salary policy, the new policy includes an "off ramp" through which the President can protect the University from obligation to fund raises in times of severe financial stress.

Experience with Steps at University of California

The University of California (UC) system has for years operated under a salary system that, like the proposed system, relies upon a mix of across-the board, promotion, and tier advancement raises (steps that they call "merits"). A key lesson from the UC salary system is that administrators and faculty have come to see the promotion *and step raises* as sacrosanct, fully funding them even under the worst of financial circumstances (including the "great recession"). This is analogous to the UW experience with promotion raises. UC campuses, like UW, have periodically experienced frozen across-the-board raises during financial downturns. Tier advancement raises are a promising candidate to keep more of the UW salary system active during downturns.

Response to Concerns

The new system has been faulted for promising too much and promising too little. It has been called too inflexible and too flexible. These suggest that the right balance has been struck. We summarize here and respond briefly to some specific concerns we have heard:

- Some speculate that the required raises for state-supported (instructional) faculty will cost too much, stripping resources from other needs. It is unlikely the President would sign legislation that included so fundamental an error. The UW Office of Planning and Budgeting has quantitatively modeled the plan, and demonstrated that historical levels of annual investment are more than enough to cover mandated raises. We hope more will be invested in the long term to raise average salaries, but the proposed policy does not require it. You can read more here about affordability and the situation at Bothell and Tacoma
- It has been suggested that the estimated $500,000 per year of additional administrative cost to run the system would be better invested in salaries. The reality is this estimated cost amounts to $100 per faculty member per year, a reasonable cost if it provides a more functional system.
- Concerns have been voiced that step-based raises for grant-funded faculty are inconsistent with grant agency policies (especially NIH). This is not the experience at the UC campuses (e.g. UC

San Francisco), which have for decades operated under a similar step system. If anything, the new system will *advantage* units with a high fraction of grant-funded faculty, whose raises will be less strongly influenced by the lagging state-provided budget supporting instructional faculty.

- Some disciplines in higher salary marketplaces are concerned that the default maximum value for the tier advancement raises (the default "cap" on tier raise size is 8% of the average salary of full professors, presently $180,000 on a 12-month basis) will inappropriately constrain salaries. Importantly, school/college faculty can vote to alter or eliminate this cap (school/college wide, or in selected departments) if it is inconsistent with their salary marketplace.
- Some argue that tier advancement reviews will be too much work for faculty. Because the current code mandates annual reviews of all faculty, *less frequent* reviews for tier-advancements should not increase workload. Read more here about workload.
- Some mistakenly believe that a dean can decide whether a school, college or campus will opt out of the tier system. It is not up to the dean alone to decide; opting out requires an affirmative vote of the college, school or campus faculty. Read more about opting out here.
- It has been argued that the wording of the legislation could be improved from a legal perspective. The legislation has been repeatedly reviewed, modified, and approved by attorneys, including the President's. If opportunities for improvement are discovered in the future, they can be made by the normal process of "housekeeping amendment."

That some deans and chairs have expressed opposition is understandable, because the new system empowers faculty by increasing faculty oversight in the distribution of salary resources now under dean control.

We hope you agree that the new system would be a significant improvement over what we now have.

Please vote YES.

Sincerely,

Susan Astley, Professor of Epidemiology, Former Senate Chair
James Gregory, Professor of History, Former Senate Chair
Paul Hopkins, Professor of Chemistry, Department Chair Emeritus of Chemistry
Jack Lee, Professor of Mathematics, Former Senate Chair
Gail Stygall, Professor of English, Former Senate Chair
Míċeál Vaughan, Professor Emeritus, Former Senate Chair