

Minutes\*

**Senate Consultative Committee  
Thursday, January 19, 2012  
3:15 – 4:00  
Room 238A Morrill Hall**

Present: Chris Cramer (chair), Carol Chomsky, Harrison Defries, Nancy Ehlke, Janet Ericksen, Ann Hagen, Sally Gregory Kohlstedt, Russell Luepker, Adam Matula, Elaine Tyler May, Jan McCulloch, James Pacala, Steven Pearthree, Adair Rounthwaite

Absent: Angela Bartholomew, Avner Ben-Ner, Peter Bitterman, Thomas Brothen, Don Cavalier, Walt Jacobs, Amy Olson, Kathryn VandenBosch, Richard Ziegler

Guests: Professor George Sheets (Chair, Senate Committee on Faculty Affairs)

Others: none

[In these minutes: academic salary instructions]

**Academic Salary Instructions**

Professor Cramer convened the meeting at 3:15 and noted that there was one item on the agenda: Instructions to units on distribution of salary increases for 2012-13. The Senate Committee on Faculty Affairs (SCFA) and the Senate Committee on Finance and Planning (SCFP) have both discussed the issue; SCFA adopted a statement calling for half of any increase to be across the board and the other half based on merit. The SCFA resolution was this:

The Faculty Senate Committee on Faculty Affairs recommends to the President of the University of Minnesota that any salary increase that is earmarked for faculty and P&A employees to take effect in FY2013 be divided into two components as follows: 50% in an across-the-board allotment of equal percentage to all, and 50% to be distributed on the basis of normal merit reviews. This recommendation is intended to apply only to the coming cycle of salary increases, not to any increases thereafter.

**COMMENT**

Historically, salary increases for faculty and P&A employees at non-bargaining unit campuses of the University of Minnesota have been awarded entirely on the basis of annual merit reviews. In view of the perennial challenge of competing to attract and retain productive faculty, the policy of tying salary increases to competitive merit evaluations is generally sensible. The past three years, however, have been unusual. Apart from promotion and retention cases, no raises at all were given in the first and third of those years and an across-the-board temporary pay cut of 1.15% was imposed in the second. Additionally, as of January 1 of this year,

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approximately \$12 million in the annual cost of health insurance has been shifted to employees in the form of higher premiums, higher co-pays, and reduced coverage.

After due deliberation, the Faculty Senate Committee on Faculty Affairs has concluded that this is a time when a partial across-the-board increase in salary for faculty and P&A employees is warranted. This is an occasion when recognizing and rewarding the shared sacrifice and collective merit of an entire workforce, in preference to ignoring those contributions by considering them in themselves unworthy of even minimal monetary recognition, can be expected to promote collegiality and institutional engagement. After a period of substantial austerity, a partial across-the-board allotment will send a unifying message of appreciation to the entire workforce and take a small step towards making employees whole after their shared sacrifices.

Professor Sheets commented that the SCFP minutes suggest that SCFP was ambivalent or negative about the SCFA statement and the arguments made were not unreasonable. He noted the SCFP statement:

- salary increases should be based on merit;
- merit should be understood to include general support of the unit as well as outstanding performance; and
- the period for calculating merit should be four years, back to the time of the last significant salary increase.

One comment at the SCFP meeting was that across-the-board increases would reduce flexibility for chairs and deans, and most people receive 1.0 – 1.5% increases anyway. Those are self-contradicting, Professor Sheets commented; if there is an across-the-board component as SCFA suggests, that will be 1.25% if the salary increase, as projected, is 2.5%, so it would not change what happens. The SCFP discussion also characterized it as a cost-of-living increase, which is not how SCFA conceived it and in fact SCFA took a negative view of cost-of-living increase.

The SCFA statement also calls for defining merit as recognizing meritorious service for all people who have shared in the sacrifices and continued to do their jobs. That sends an important message across the institution, Professor Sheets said, and will be cheered and help morale, and still allow merit to be recognized. One of the civil-service members of SCFP, however, commented that civil service staff have always received across-the-board increase and she did not find that it enhances institutional loyalty. It is anecdotal but unfortunate that the increases in that person's opinion did not affect loyalty, he commented. In his own opinion, however, it is more likely that individuals who traditionally have not received any cost-of-living increases would very much appreciate the recognition that the SCFA proposal recommends.

The Faculty Consultative Committee conferred with the President, Professor Sheets related, and he indicated support for some kind of across-the-board increase structured to benefit lower-paid employees, up to some threshold. Such an approach would accomplish some of what the SCFA statement seeks.

Professor Luepker said he had been surprised by the vigor of the debate at SCFP; he thought SCFP would support the SCFA statement. It did not; several department chairs said that adopting the SCFA recommendation would tie their hands, would reward those who are not performing well, and would make it difficult for them to reward those who are doing very well. The P&A staff were not especially forthcoming about the SCFA proposal, the students were against it on the ground that the University is raising tuition and now proposing across-the-board increases, even though they have had

some bad teachers. SCFP passed the statement Professor Sheets reported, one that was proposed by Professor Fred Morrison: There should be merit increases, merit should include being a good citizen during this period, and it should cover the last four years.

Professor Sheets commented that Professor Morrison's proposal is not necessarily inconsistent with the SCFA statement if merit is defined to include being a good citizen, contributing, and so on. That is the aim of the SCFA statement, and SCFA is not interested in rewarding those who are undeserving. SCFA may believe that all are deserving, which could be idealistic, but many at the University have put up with a lot without complaint for a number of years.

Professor Cramer outlined the options in front of the Committee: Endorse the SCFA statement, endorse the SCFP statement, endorse neither, or adopt something completely different. He said he would not favor the last option.

Professor May commented that across-the-board increases are regressive because those at the top receive more money and that seems counter to the President's expressed intent. If there is to be an across-the-board component to increases, should it not be a fixed amount? Professor Sheets agreed; he said that SCFA did not consider that option but that it makes sense. (There was brief discussion about who decides on merit, whether the chair or the chair plus a committee; there is a larger issue involved if the chair alone decides on faculty merit increases.)

Professor Ehlke agreed with Professor May: If there is an across-the-board component, it should not be a percentage. She said she did not want the University to reward everyone, such as those who might be in special post-tenure review.

Professor Chomsky said there are concepts in both statements she could support and that she agrees with Professor Cramer that it would be difficult to craft a resolution from this Committee. SCFA and SCFP had robust conversations that articulated well both the importance of rewarding the whole community of people doing their jobs and sacrificing over the last three years and that merit continues to be an important rationale for increased compensation. She said she was not comfortable mandating an across-the-board percentage increase. She suggested passing on through this Committee's minutes the discussions of SCFA and SCFP with appreciation for the depth of the discussion expressed by the two committees and suggesting that all units should consider the points made as they decide on compensation. But she could not presume to speak for the faculty in all units in picking between the two options.

Professor Cramer said he would have said exactly what Professor Chomsky did. The discussion has been worthwhile and he likes the SCFA utopian vision of the University—while SCFP has made some legitimate hard-nosed points. The President is thinking along the same lines in terms of progressivity.

Professor McCulloch said she is concerned about how few emotional and energy reserves many people working at the University have at this point. It is important to recognize that many have struggled; how is that message to be conveyed? Just in these minutes? When it comes to expressing appreciation, no action taken by any committee is as important as action taken by a leader, Professor Cramer commented. Professor May said that if there is a consensus for supporting the President's intention of addressing problems with a progressive increase because of health-care costs and the erosion of salaries, there are principles the Committee could endorse.

Professor Cramer said he would draft a resolution endorsing the work of the two committees and the idea of progressive increases.

Mr. Pearthree said he had only recently received the information and was not prepared to take a position. Ms. Hagen said that she leaned toward supporting the SCFA statement but said she was not sure the progressive nature of increases would matter that much. The advantage of a fixed dollar amount is that it represents a middle ground between the positions taken by the two committees, Professor Sheets commented.

Subsequent to the meeting, the Committee adopted without dissent the following statement:

The Senate Consultative Committee (SCC) commends the thoughtful discussions in the Senate Committee on Faculty Affairs (SCFA) and the Senate Committee on Finance and Planning (SCFP) pertaining to salary instructions to units for the next fiscal year. Cogent arguments were made with respect to the importance of a salary increase system that is based on merit, but also advancing the notion that merit can encompass everyday contributions, sustained loyally in the face of diminishing resources, increased workloads, and salary freezes.

Considering the various options discussed by the committees, SCC recommends to the administration that a tangible proportion of recurring funds for salary increases be distributed in a progressive fashion (e.g., as a constant dollar amount for low-income employees that decreases ultimately to zero with increasing salary), with the remainder being dedicated to pay increases based solely on merit criteria. Such an approach addresses the disproportionate impact that recent increases in employee-paid health insurance costs had on the lowest paid members of the University workforce, while preserving an emphasis on merit-based compensation for those at the other end of the earnings spectrum.

Additionally, unit heads evaluating merit should ensure that the time window for their evaluations includes not only the most recent year, but also any relevant preceding periods during which funds for merit-based salary increases were not available.

Professor Cramer thanked everyone for attending and adjourned the meeting at 3:50.

-- Gary Engstrand