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Message from UUP President Fred Kowal

2019 SALARY COMPRESSION ANALYSIS and DISTRIBUTION

The 2016-2022 NYS/UUP contract includes an historic agreement to establish four annual salary pools, each one-half percent (.5 percent) of total basic annual salaries at each campus, for distribution to eligible UUP-represented employees to address salary compression and inversion.

For the first time, the State has acknowledged that salary compression exists system-wide and has dedicated resources to begin to address it. While we anticipate that the extent of identified salary compression and inversion will significantly exceed the resources available to remediate it in the 0.5 percent compression pools, this represents a critical step in addressing a problem that plagues not just SUNY, but higher education nationally.

Generally, salary compression exists when the salaries of more experienced employees have not increased sufficiently relative to the salaries of colleagues hired later. Inversion occurs when new hires are recruited with salaries higher than those of more senior colleagues. The extent of salary compression and inversion will be measured by multiple regression analysis, a statistical technique that can measure the relationship between salary and several factors that potentially impact it.

The 2016-2022 contract established a joint NYS/SUNY/UUP executive-level committee to develop the guidelines and methodology for analyzing salary compression and inversion. The 2019 guidelines are now complete. These guidelines provide the

campuses with detailed instructions on how to complete the analyses and how to distribute the 0.5 percent pool to address compression identified in the analyses.

First, the guidelines identify the employee data necessary to complete the analyses. Much of this data is contained in existing payroll records. Some isn't. Campuses are responsible for reviewing the accuracy of data in existing records and for gathering and inputting data not currently in those records.

Generally, data for each employee includes such things as basic annual salary (excluding stipends, differentials, also receives, and prior DSI), state budget title, campus title for professionals, years of service in title, academic discipline, professional functional area, and a benchmark market salary for the employee's discipline or functional area. The guidelines contain additional detail about the data used for different types of academic and professional appointments and obligations.

Once data collection is complete, campuses must run regression analyses to identify the extent of compression and inversion among full-time and part-time academic and professional staff. These regression analyses are designed to analyze the different variables that may influence salary and isolate the extent to which the salaries of more experienced employees may be compressed or inverted relative to the salaries of less-experienced employees in their academic disciplines or professional functional areas.

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Detailed instructions and hands-on training on how to conduct these regression analyses have been provided to the campus personnel running the analyses.

The data collection and analysis guidelines must be followed to the greatest extent possible. However, it is impossible to anticipate every campus-specific variation that may require campus-specific deviations. The UUP bargaining unit contains many different types of academics and professionals at different campus types (technology sector and comprehensive colleges, university centers, hospitals, medical schools, and specialized institutions). When campus-specific deviations must be made, they must be consistent with the overall intent of the guidelines and the objective of remediating salary compression and inversion. They may not be made on a person-specific basis and they must be cleared with SUNY at the state level.

Once the regression analyses are complete, each campus must determine the distribution of their 2019 compression pool consistent with the guidelines. Management discretion to determine how the pool will be distributed is expressly limited.

The compression pools must be used to address compression identified in the analyses. It is not appropriate to use the compression/inversion pool for any other purpose, including but not limited to merit, addressing perceived inequities not identified in the analysis, or providing for larger market-rate adjustments.

Campuses are strongly encouraged to provide proportional adjustments to everyone (whether academic or professional, full-time or part-time) who is identified in the regression analysis as compressed or inverted. Campuses have some limited discretion to make decisions as outlined below. However, these decisions may not be made on a person-specific basis.

Campuses may choose to:

- Remediate certain departments/functional areas more rapidly to address retention beyond that which is achieved by a proportional distribution (however, no department may be excluded from remediation entirely);

- Establish a dollar threshold for full-time employees, prorated for part-time employees, of identified compression below which employees may not be remediated to better remediate highly compressed employees (if established, the threshold may not exceed \$2,500 and must be uniformly applied campus-wide);

- Exclude certain types of less senior employees to better remediate longer-term employees (visiting academics with less than four years of service and some types of part-time employees with less than two years of service).

- Exclude any full-time employee serving in their final year of service, who has been non-renewed.

Except for those employees identified above, individual employees with identified compression or inversion may not be excluded from remediation.

Once these decisions are made, campuses must notify the campus community of the method of distribution being used, including any deviation from proportional distribution. If non-proportional distribution is used, the method and rationale for more rapidly remediating particular departments and/or functional areas must also be provided.

Employees who receive salary compression adjustments are not disqualified from consideration for Discretionary Salary Increases (DSI) from the 0.5 percent DSI pool. Receipt of DSI also does not disqualify employees from eligibility for compression adjustments.

On behalf of the UUP team that worked with the state over the last year to develop the methodology and guidelines for distribution of our first-ever contract provision to address salary compression and inversion, I express my gratitude for your patience and understanding about the time it took to reach this point. UUP's goal has been to make sure the salary analysis at every campus is done as accurately as possible, given the variation in employee positions across our campuses and data limitations we encountered.

The 2019 distribution of compression/inversion salary adjustments will be followed by analysis of the outcomes. UUP, SUNY, and the state can reconvene executive-level discussions to review this year's process and make any needed improvements for 2020, 2021 and 2022.