

**Report to the Faculty Council
Status of Faculty Salary Policies
University of North Carolina, Chapel Hill
March 25, 1999**

INTRODUCTION The Faculty Council on 10 November, 1995 adopted the document "Principles to Guide Faculty Salary Policies" and on 23 February, 1996, the document "Mechanisms to Implement Salary Principles". Together these were to guide the writing and adoption of Faculty Salary Policies by all units within the University that initiate salary decisions. The Chancellor issued a "Directive to Deans, Directors and Librarians" on 1 May, 1996, to formulate such policies. Finally, the Provost, in a memo on 30 September, 1996, to Deans and Directors, inquired as to the status of implementation of salary policies within their units. The Faculty Welfare Committee presented an initial report "Status of Faculty Salary Policies" to Faculty Council, on 26 February, 1997.

The resolution that Faculty Council adopted in 1996 also stated that "The recommendation of these mechanisms is provisional. Their efficacy will be reviewed by the Faculty Council in the Spring of 1998, at which time they may be permanently adopted, amended, replaced, or eliminated." Faculty Council did not in fact review the status of the Faculty Salary Policies, but charged the Faculty Welfare Committee with the task of reporting to it on the status of written salary documents and to provide an assessment of the documents. To that end we began to review salary policies adopted by units within the College of Arts and Sciences and the professional schools. A letter was sent on August 28, 1998 to all heads of departments within the College of Arts and Sciences, the School of Public Health, and the School of Medicine, and to Deans/Directors of all other Schools, Libraries, and the Institute of Government. The letter requested a copy of the salary policy adopted by each unit, a brief statement on the status of compliance of the unit with the directives of the Chancellor and the Provost, and an assessment by the unit head of the usefulness of the policy in establishing salaries. A follow-up letter was sent on November 23, 1998, to those units not initially responding.

Of the 81 units contacted, the committee received responses from 33 of 37 units (departments and curricula) within the College of Arts and Sciences; 9 of 10 Professional Schools and the IOG (no response from Dentistry); all three Libraries; 7 of 8 departments within the School of Public Health; and 18 of 23 departments within the School of Medicine. In total 70 of 81 units replied for a total response rate of 86%. The responding units represent 85.7% of the full time tenure track faculty, fixed appointment faculty, and librarians, at UNC.

OBJECTIVES As in the previous 1997 survey, the Committee reviewed all the policies for language related to a) consultation with faculty on salary policy implementation, b) procedures for redress, c) remedies of inequity due to gender, and d) remedies of inequity due to salary compression. Since all units had had 2 or more years of experience with the Salary Policies as guides, we also reviewed unit heads' assessment of the usefulness of the policies.

SUMMARY

Part A. Selected aspects of the Salary Policies have been summarized with reference to the following questions:

1. Does consultation with the faculty influence or shape the unit's salary decisions? Is there an elected faculty salary committee?

- 57 units reported that the chair or Dean/director of the unit makes the salary decisions without formal advice or guidelines from an elected salary committee (though some informal consultation with senior faculty members often occurs).
- 6 units reported that an elected faculty committee develops or advises on general salary policies, which the chair or Dean/director implements.
- 8 units reported that an elected faculty committee advises on policy and evaluates individual faculty performances in order to give each department member a specific ranking for salary increases. These recommendations are then passed on to the chair or Dean/director.
- Although heads of units typically make final decisions on salaries, 21 units indicated that they now have some kind of elected faculty committee that influences, monitors, or reviews faculty salaries. The School of Medicine also has a salary review committee that formulates faculty salary guidelines, but this committee is not included in the numbers for specific departments and units.

2. Are there formal mechanisms within the unit to provide for redress of faculty salary grievances?

- 59 units reported that they have no departmental procedures for redress of faculty salary grievances. (Faculty do have the right to appeal to the University's Grievance Committee.)
- 7 units reported that they have a departmental committee that reviews faculty complaints about salary.
- 4 units specifically mentioned the right of individual faculty members to file a complaint with their chair or Dean/director.

3. Are issues of gender equity addressed in the unit's statement on salary policy?

- 28 units reported that gender equity is addressed as part of a general, ongoing concern with salary inequities (which also include other forms of unfair or discriminatory salary distribution).
- 6 units reported that gender equity is addressed as a specific concern in their salary decisions.
- Gender equity is not mentioned in salary policy statements of 37 units.

4. Are problems of salary compression addressed in the unit's statement of salary policy?

- 9 units reported that salary compression is addressed as part of a general, ongoing concern with salary inequities (including inequities between persons of long service and persons who have recently entered the unit).
- 26 units reported that salary compression is addressed as a specific concern in their salary decisions.
- Salary compression is not mentioned in policy statements of 36 units.

To determine the impact of specific Salary Policy language on faculty at UNC, responses were broken down by unit name and number of full time tenure track and fixed term faculty within those units. The per cent of total affected faculty was calculated, assuming a total faculty (including librarians) of 2325. All faculty numbers were based on the "*Faculty Salary Report, 1997-98, Part I: Internal Statistics*", prepared by the Office of Institutional Research.

1a. Breakdown of six units with an elected salary committee that develops or advises on general salary policies:

	Faculty members
Institute of Government	32
Biomedical Engineering	8
School of Pharmacy	55
School of Education	47
Mathematics	33
School of Information and Library Science	14
Confirmed number of faculty in these units	189, % of total faculty 8.6

1b. Breakdown of 8 units with an elected salary committee that evaluates individual faculty members and ranks performance:

	Faculty Members
Statistics	13
Religious Studies	13
Anthropology	16
History	42
Geography	13
Psychology	44
Communication Studies	22
Asian Studies	6
Confirmed number of faculty in these units	169, % of total faculty 7.6

1c. Breakdown of units having some kind of elected faculty committee that consults on salary policies:

	Faculty Members
Law Library	7
Health Science Library	21
Institute of Government	32
School of Medicine	852
Law School	36
School of Information and Library Science	14
Psychology	44
Communication Studies	22
Asian Studies	6
Biomedical Engineering	8
School of Pharmacy	55
School of Nursing	56
School of Journalism	30

School of Education	47
Mathematics	33
Statistics	13
Religious Studies	13
Anthropology	16
History	42
Geography	13
Confirmed number of faculty in these units	1360, % of total faculty 58.5

2a. Breakdown of units reporting a committee that reviews faculty complaints about salary:

	Faculty Members
School of Medicine	852
Biomedical Engineering	8
Microbiology and Immunology	31
Pharmacology	29
Physiology	25
Radiation Oncology	10
Sociology	21
Confirmed number of faculty in these units	976, % of total faculty 44.2

3a. Breakdown of 28 units reporting that gender equity is addressed as part of a general concern with salary inequities:

	Faculty Members
Law Library	7
Health Science Library	21
Academic Affairs Library	91
Institute of Government	32
Anesthesiology	34
Dermatology	8
Social Medicine	10
Biostatistics	24
Maternal and Child Health	10
Nutrition	21
School of Law	36
Biomedical Engineering	8
Pharmacology	29
Physiology	25
School of Nursing	56
School of Business	81
Mathematics	33
Religious Studies	13
Linguistics	6
Dramatic Art	12
Philosophy	19
Geology	13
Communication Studies	22

Art	18
Biology	44
City and Regional Planning	15
Sociology	21
Confirmed number of faculty in these units:	709 , % of total faculty 30.5

3b. Units reporting that gender equity is addressed as a specific concern of salary decisions;

	Faculty Members
School of Medicine	852
Health Behavior and Education	11
Health Policy and Administration	21
History	42
Biochemistry and Biophysics	30
Microbiology and Immunology	31
Confirmed number of faculty in these units	987 , % of total faculty 44.7

4a. Units reporting that salary compression is addressed as part of general concern with salary inequities:

	Faculty Members
Social Medicine	10
Pharmacology	29
Physics & Astronomy	32
Geology	13
Germanic Languages	10
Political Science	31
Biology	44
City and Regional Planning	15
Computer Science	30

Confirmed number of faculty in these units **214**, % of total faculty **9.7**

4b. Units reporting that salary compression is addressed as a specific concern in salary decisions:

	Faculty Members
School of Medicine	852
Biostatistics	24
Health Behavior and Education	11
Health Policy and Administration	21
Maternal and Child Health	10
Nutrition	21
School of Law	36
Law Library	7
Health Science Library	21
Academic Affairs Library	91

Institute Of Government	32
Biomedical Engineering	8
Biochemistry and Biophysics	30
Microbiology and Immunology	31
School of Nursing	56
School of Journalism	30
Classics	14
Chemistry	35
Religious Studies	13
Psychology	44
Communication Studies	22
Sociology	21
Economics	28
Romance Languages	32
School of Information and Library Science	14
Confirmed number of faculty in these units	1504, % of total faculty 64.7

Part B. Summary of Unit Heads' Assessments of the Usefulness of Faculty Salary Policies

1. Unit heads were asked to evaluate the usefulness of their Faculty Salary Policies; 54 unit heads responded;

- 8 unit heads provided no assessment of their policies beyond statements of compliance with the directives of the Provost and Chancellor.
- 1 chair provided no assessment of usefulness but did criticize the units current policy for involving only full professors in the process.
- 3 unit heads found the policies useless, saying they merely created another bureaucratic layer.
- 2 unit heads said the policies were not useful since they replicated existing unit policies.
- 5 unit heads found the policies to be of very limited use, citing the availability of funds for salary increases (as opposed to a clear salary policy) as a more significant consideration in resolving salary problems.
- 37 units heads found the policies useful, but the assessments of usefulness ranged from "minimal" and "probably" to "very" and "extremely."

2. Eleven unit heads, who found the policies useful to some degree said they were essentially replications or codifications of existing salary procedures and practices. Despite the redundancy, unit heads said adoption of written policies:

- reminded faculty of performance expectations
- provided an opportunity for open discussion
- formalized existing practices
- assured faculty they had recourse in case of unfair decisions.

3. Among the other 26 units that reported the policies useful, the reasons cited were wide-ranging. Unit heads perceived salary policies as serving a number of functions, viz:

- in multi-division/department units, as means of establishing a degree of uniformity across different parts of the unit;
- in individual departments, as means of ensuring consistency;
- as instruments for establishing and communicating standards and norms in units;
- as processes for ensuring fairness in decisions;
- as systematic means of performance assessment;
- as provision of support for unit heads decisions;
- as provision of protection for individual faculty interests;
- as a mechanism for mitigating discontent;
- as a mechanism for sustaining unit cohesiveness;
- as provision for advising chairs on decisions.

4. In addition to these comments, a number of unit heads noted the following to be factors in shaping their assessment of their units salary policies:

- unit size seemed critical, especially for smaller units, where decisions more easily approach the ideal of consensus;
- the degree and character of collegiality in a unit was occasionally cited as a factor in determining the usefulness of the units salary policy;
- the extent of long-standing conditions of salary compression or inequity was seen as crucial in rendering salaries policies effective or moot;
- constraints imposed by higher levels of administration were cited as limiting the ability of departments to adhere to their policies;
- money, money, money. Lack of adequate salary funds to address salary concerns was frequently noted as a constraining condition.

CONCLUDING NOTE: There are major differences in the length and specific guidelines of the salary policy statements that the various units have forwarded to the Welfare Committee. The information about the issues listed here often includes more diversity and nuance than those broad categories suggest, but the unit heads generally report that their salary policies seem to be working to the satisfaction of their colleagues. Although department chairs and Dean/directors remain the key decision makers in virtually every unit, the Committee noted a general trend toward more salary review committees and more faculty input on salary policies.

This report was prepared by a sub-committee of the Faculty Welfare Committee. We wish to thank Lynn Williford, OIR, for providing data on unit sizes.

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Survey of Salary Policies at UNC-Chapel Hill as of 1/29 /99

UNIT	POLICY	FACULTY CONSULTATION	FACULTY REDRESS	GENDER EQUITY	COMPRESSION
Law Library	As of 5/7/96	<p>"The director, in consultation with the librarians is responsible for formulating a written policy to guide recommendations for librarian salaries and salary increases. Consultation between the Director and the librarians regarding the development of a salary policy occurs through both formal and informal meetings with individual librarians. Consultation on a group basis occurs during monthly librarians meetings." Also there is a salary policy committee.</p>	<p>"Each fall .. the Director distributes information to all librarians... on their individual salaries and the general basis on which salary increases were allocated...A list of librarian salaries is distributed to librarians annually. The Director entertains comments and questions from librarians about this information upon request."</p>	Salary inequities discussed generally	Specifically addressed
Health Sciences Library	As of 7/25/96	Very similar to above	Very similar to above; also refers to University Faculty Grievance Committee	Salary inequities discussed generally	Specifically addressed
Academic Affairs Library	As of 10/15/96	Reference to salary policy committee only.	As above: the Director distributes information to all librarians... on their individual salaries and the general basis on which salary increases were allocated, But: no reference to entertaining comments.	Salary inequities discussed generally	Specifically addressed
Institute of Government	As of 6/11/97	Faculty Salary Committee elected by faculty advises Director on policies and procedures after salary levels are set annually	Initially to the Director, then the Faculty Grievance Committee	Equity to address salary differential resulting from discrimination is noted	Specifically addressed

UNIT	POLICY	FACULTY CONSULTATION	FACULTY REDRESS	GENDER EQUITY	COMPRESSION
School of Medicine Anesthesiology	As of 10/97	Consult for policy	Not addressed	Inequities addressed generally	Not addressed
Biomedical Engineering	As of 8/15/99	Salary level set by Chair with consultation from senior faculty members when appropriate. Salary policy formulated by a three person committee (one Professor, one Associate Professor, and one Assistant Professor) elected by faculty; recommendation taken to faculty who approve the salary policy	Faculty member first brought to Chair; if further disagreement, appeal may be taken to senior faculty for their recommendation to Chair. Further appeals to follow SOM and campus guidelines	Inequities addressed generally	Specifically addressed
Biochemistry & Biophysics	As of 8/15/97	Specifically addressed	Not addressed	Specifically addressed	Specifically addressed
Cell Biology & Anatomy	As of 10/97	No faculty salary committee	Not addressed	Not addressed	Not addressed
Dermatology	As of 10/97	Consult on salary	Not addressed	Inequities addressed generally	Not addressed
Emergency Medicine	Yes 10/97	Consult on policy	Not addressed	Not addressed	Not addressed
Family Medicine	As of 10/97	Consult on part of salary	Not addressed	Inequities addressed generally	Not addressed
Allied Health Sciences	As of 12/97	Consult about the policy	Not addressed	Not addressed	Not addressed
Medicine	As of 11/11/97	Not addressed	Specifically addressed: discussion with Division Chief and Chair and faculty member; if not resolved, faculty member may take issue to "appropriate" department committee	Specifically addressed	Specifically addressed
Microbiology & Immunology	As of 10/97	No faculty committee on salary policy	Faculty committee addresses complaints related to salary	Specifically addressed	Specifically addressed

UNIT	POLICY	FACULTY CONSULTATION	FACULTY REDRESS	GENDER EQUITY	COMPRESSION
Ophthalmology	As of 9/15/97	Not addressed specifically, but faculty may respond to Chair's policies	Not addressed	Not addressed	Not addressed
Obstetrics and Gynecology	In process				
Orthopedics	In process				
Pathology and Laboratory Medicine	As of 10/97	Not addressed	Not addressed	Not addressed	Not addressed
Pediatrics	In process				
Pharmacology	As of 1/98	No faculty committee on salary policy	Specifically addressed; elected salary grievance committee (3 faculty members) hear complaints of individual faculty members about salary; Chair receives report of committee and makes final decision	Inequities addressed generally	Inequities addressed generally
Physical Medicine & Rehabilitation	As of 10/97	Consult on policy	Not addressed	Not addressed	Not addressed
Physiology	As of 10/97	Not addressed	Specifically addressed	Inequities addressed generally	Not addressed
Psychiatry	As of 2/98	No faculty committee on salary policy	Not addressed	Not addressed	Not addressed
Radiation Oncology	As of 10/97	Chair consults with Division Chief when such Chief exists; no faculty salary policy committee	Faculty member can discuss concerns with sub-Chairs or appropriate committees in the SOM and university level	Not addressed	Not addressed
Radiology	Yes 10/97	Not addressed	Not addressed	Not addressed	Not addressed

UNIT	POLICY	FACULTY CONSULTATION	FACULTY REDRESS	GENDER EQUITY	COMPRESSION
Social Medicine	As of 6/97	The chair will be available to answer questions about principles and criteria. No faculty salary policy committee.	Chair responds to individual inquiries about salary adjustments	Inequities addressed generally	Inequities addressed generally
Surgery	As of 10/97	Consult on policy	Not addressed	Not addressed	Not addressed
School of Pharmacy	As of 4/16/97	Salary policy committee elected by faculty provides input to the Dean to formulate and implement salary policy	Not addressed	Not addressed	Specifically addressed
School of Nursing	As of 3/96	Faculty policy review committee elected by faculty reviews pressure of market trends on salary levels	Not addressed	Minority status is considered for salaries of new hires	Specifically addressed
School of Public Health Biostatistics	As of 10/97	No faculty committee to consult on salary policy	Not addressed	Salary inequities discussed generally	Specifically addressed
Environmental Science & Engineering	In process				
Epidemiology	As of 5/21/97	Faculty provided input in the development of salary policy	Not addressed	Not addressed	Not addressed
Health Behavior & Health Education	As of 10/97	Not addressed	Not addressed	Specifically addressed	Specifically addressed
Health Policy & Administration	As of 10/97	Chair examines annual reports submitted by faculty members; no faculty committee reviews or develops salary policies	Not addressed	Specifically addressed	Equity adjustments made for differences in salary levels for faculty of the same rank and level of accomplishments

UNIT	POLICY	FACULTY CONSULTATION	FACULTY REDRESS	GENDER EQUITY	COMPRESSION
Maternal & Child Health	Yes 10/97	Not addressed	Not addressed	Salary inequities discussed generally	Equity adjustments made for differences in salary levels for faculty of the same rank and level of accomplishments
Nutrition	9/1/98	Chair, Full Professors and division directors meet to discuss faculty performance; Chair incorporates their input into evaluation of performance and salary decision	Not addressed	Salary inequities discussed generally	Addressed specifically
School of Dentistry	none submitted as of 1/26/98				
School of Journalism & Mass Communication	As of 9/20/96	An elected faculty committee on faculty salary with four members reviews salary increases after Dean has made the decision and consultation cases that do not follow written policy or show inconsistencies	University Grievance Procedure	Not addressed	Specifically addressed
School of Education	As of Spring, 1997	Faculty Advisory Committee elected by faculty advises Dean on general salary policy	Not addressed	Not addressed	Not addressed
School of Social Work	As of 11/96	Personnel committee elected by faculty sets criteria for tenure and promotion which are used by Dean to decide salary levels	Not addressed	Not addressed	Not addressed
Law School	As of 10/24/96	Consultation by Dean with a three-person committee elected by faculty on overall salary structure	Not addressed	Inequities from discrimination addressed generally	Specifically addressed

UNIT	POLICY	FACULTY CONSULTATION	FACULTY REDRESS	GENDER EQUITY	COMPRESSION
School of Business	As of 8/15/96	"Senior associate dean and area chairs meet with individual faculty to provide feedback"	Not addressed	Salary inequities addressed generally	Not addressed
College of Arts & Sciences Mathematics	As of 5/95	Salary Advisory Committee	Not addressed	Salary inequities addressed generally	Not addressed
Statistics	As of 9/95	Advisory Committee evaluates faculty performance and recommends ideal salary level for each faculty member; Chair averages recommended salary and adjust average	Not addressed	Not addressed	Not addressed
Religious Studies	As of 4/30/96	Faculty Salary Committee elected from tenured faculty to advise the Chair regarding salary increases for faculty other than committee members	Not addressed	Salary inequities addressed generally	Specifically addressed
Linguistics	As of 11/94	Chair consults with faculty in the case of countering an outside offer; no regular consultation with Chair by faculty committee	Not addressed	Salary inequities addressed generally	Not addressed
Comparative Literature	As of 12/94	Not addressed	Not addressed in current plan	Not addressed	Not addressed
Anthropology	As of 4/97	Advisory committee ranks faculty members (top, middle, bottom) for salary recommendations	Personal evaluations are given on request	Not addressed	Not addressed
Physics and Astronomy	As of Spring/98	No faculty salary policy committee	Not addressed	Not addressed	Inequities addressed generally
Dramatic Art	As of 4/29/97	Not addressed	Not addressed	Salary inequities addressed generally	Not addressed

UNIT	POLICY	FACULTY CONSULTATION	FACULTY REDRESS	GENDER EQUITY	COMPRESSION
History	As of 1995	Salary review committee of elected members evaluates quantity and quality of scholarship, and also ranks productivity; sends rankings to the Chair	Not addressed	Specifically addressed	Not addressed
Leisure & Recreation	As of 1995	Faculty adopted salary policy	Not addressed	Merit money not to be used to address inequities which should be handled at College level	Not addressed
Philosophy	As of 11/94	"Faculty members are entitled to discuss with the chair the basis of his or her salary recommendation for the faculty member in question."	"If he or she is unhappy with the chair's recommendation, he or she can protest the recommendation to the chair and seek some reconciliation from the chair. If this proves unsatisfactory, the faculty member may bring the protest to the Dean. If this proves unsatisfactory, the faculty member may initiate a formal grievance with the Faculty Grievance Committee."	Salary inequities addressed generally	Not addressed
Geology	As of 12/94, developed by chair	Not addressed	Not addressed	Reference to inequities	Reference to inequities
Germanic Languages	As of 11/94	Chair consults with full professors	Not addressed	Not addressed	Inequities addressed generally
Marine Sciences	As of Fall, 1995	Chair meets with tenured faculty to receive information about the performance of untenured faculty	Faculty member may request meeting with the Chair to discuss salary	Not addressed	Not addressed
Geography	As of Fall, 1997	A merit review committee elected by tenure track faculty meets after annual report by faculty to recommend merit raise levels	Not addressed	Not addressed	Not addressed

UNIT	POLICY	FACULTY CONSULTATION	FACULTY REDRESS	GENDER EQUITY	COMPRESSION
Political Science	As of 11/11/94	A five person advisory committee appointed by Chair reviews criteria to be used in salary decision (rank, merit, and market awareness) and advises Chair about criteria	Not addressed	Not addressed	Discussed generally
Psychology	As of 12/19/94	A six-person department evaluation committee chosen by Chair from list generated by faculty evaluates faculty annually, creates merit score which is used for basis of salary raise, and submits report to Chair	Not addressed	Not addressed	Addressed specifically
English	As of 12/12/94	Chair sought input about creating salary committee, but majority of faculty expressed no interest in establishing a committee	Not addressed	Not addressed	Not addressed
Communication Studies	As of 12/7/94	All faculty discuss and approve general salary policies; Chair presents recommendation for salary level to Departmental Budget Committee (comprised of all Full Professors and one elected representative from lower ranks; Committee then concurs or suggests change to Chair; Chair then sends recommendation to the Dean	Not addressed	Inequities discussed generally	Specifically addressed
Art	12/2/94	Chair consults with Full Professors about performance and salary increases for untenured faculty for the year	Not addressed	Addressed generally	Not addressed

UNIT	POLICY	FACULTY CONSULTATION	FACULTY REDRESS	GENDER EQUITY	COMPRESSION
Biology	11.28.94	Not addressed	Not addressed	Inequities addressed generally	Inequities addressed generally
Curriculum in Asian Studies	As of 11/30/94	Elected salary committee advises curriculum chair on annual salary adjustments, discusses salary policies and evaluates the performance of core faculty	Not addressed	Not addressed	Not addressed
Slavic Languages and Literature	As of 11/16/94	No faculty consultation on salary policy	Not addressed	Not addressed	Not addressed
City & Regional Planning	As of 5/4/95	No faculty salary committee	Not addressed	Equity discussed generally	Equity discussed generally
Computer Sciences	As of 4/27/95	No faculty salary committee	Not addressed	Not discussed	Equity discussed generally
Sociology	As of 12/15/94	Executive Committee may consult with Chair about salary policy	Executive Committee serves as review committee to hear faculty complaints about salary insufficiency	Affirmative action discussed generally	Addressed specifically
Physical Education, Exercise and Sports Science	Date not specified	No faculty salary committee	Not addressed	Not addressed	Not addressed
Economics	As of 12/8/94	Salary policy reviewed each year by Full Professors; Chair sets salary levels in consultation with Personnel Committee; Chair consults with Full Professors each year prior to setting salary levels to discuss priorities and needs for salary adjustments	Not addressed	Not addressed	Addresses need to consider market in setting salary levels

UNIT	POLICY	FACULTY CONSULTATION	FACULTY REDRESS	GENDER EQUITY	COMPRESSION
Classics	As of 5/22/95	Faculty discussed and approved salary policy which gives Chair authority to set salary levels, "without the involvement of colleagues."	Not addressed	Not addressed	Addressed specifically
Romance Languages	As of 1/10/98	Faculty developed a statement of principles for salary recommendations and adopted the following response to the Faculty Council's directive: "We express our approval of the Faculty Council's adopting mechanisms for monitoring faculty salary distribution provided that the mechanisms be as simple as possible and representative as possible of each department's interests."	Not addressed	Not addressed	Addresses market competition generally
Chemistry	As of 11/23/94	Full Professors advise the Chair regarding appropriate salaries for faculty; Chair recommends salary level to Dean and informs faculty member of the salary recommendation after approval of the recommendation by the Dean	Not addressed	Not addressed	Competitive market considerations addressed
Curriculum in Women's Studies	As of 9/1/98	Faculty meet in May to discuss how to allocate salary increments; Chair follows faculty's recommendation but holds 1% of salary pool to distribute at Chair's discretion	Not addressed	Not addressed	Not addressed

UNIT	POLICY	FACULTY CONSULTATION	FACULTY REDRESS	GENDER EQUITY	COMPRESSION
School of Information and Library Science	As of 9/2/98	Faculty elect three persons (one Assistant Professor, one Associate Professor and one Full Professor) to a Faculty Salary Policy Committee which ensures that the written salary policy is on file, receives a list of salary increases for each faculty member from the Dean each year, consults with the Dean about trends that are inconsistent with the written salary policy and appraises the Dean's performance in implementing salary policy; Committee and Dean invite faculty to submit comments about policy at any time; faculty review the policy every other year to determine whether revisions are needed; faculty vote on changes to the policy	Faculty are to follow University grievance procedure regarding specific complaints about salary adjustments	Not addressed	Addressed specifically

EXECUTIVE SUMMARY

The University of North Carolina Report of the Faculty Benefits Study Group

In November 1998, the President appointed a Faculty Benefits Study Group to assess the status of the University of North Carolina fringe benefits package. The Study Group's charge was to conduct a benefits study and collect comparative data on fringe benefits. The primary purpose of the study was to determine how the University's benefits plans compare with peer institutions across the country and identify any deficiencies in the University's benefits packages.

The Study Group met one time in December 1998 and two times in January 1999, and reviewed the existing University benefits plans; examined the competitiveness of faculty salaries versus total compensation (salary and benefits) at the University compared with other AAUP, AAU and Research I institutions; collected data from various resources on state retirement plans, optional retirement programs, and state health plans across the country; and made recommendations for improving the University's benefits plans. The primary focus of the study was on employer-provided benefits as part of total compensation. After identifying a number of deficiencies, the Study Group devised a conservative plan of action to improve the University's benefits package and position the University within the top one-third of other peer institutions.

Recommendations of the Study Group are summarized below:

The first set of recommendations pertains to improvements in the North Carolina Teachers' and State Employees' Retirement System (TSERS) as follows:

Recommendation 1: Seek legislative action to increase the TSERS benefit formula multiplier of 1.80% to 2.0%.

Recommendation 2: Seek legislative action to decrease the employee contribution rate from 6.0% to less than 4.0%.

Recommendation 3: Seek legislative action to reduce the Final Average Salary (FAS) period to three years.

The second set of recommendations pertains to the University of North Carolina Optional Retirement Program (ORP) as follows:

Recommendation 4: Seek legislative action to reduce the employee's contribution rate from 6.0% to 4.0% and increase the employer's contribution rate from 6.84% to 9.29%.

Recommendation 5: Seek legislative action to allow immediate vesting of employer contributions.

Recommendation 6: Seek approval from the Board of Governors of the University of North Carolina to allow 100% cashability of employer contributions at retirement. This recommendation would require extensive communication between the ORP participant and the University that a portion of the ORP benefit must be annuitized if the employee wishes to continue coverage under the State Health Plan at retirement.

The third set of recommendations pertains to the State of North Carolina Comprehensive Major Medical Plan as follows:

Recommendation 7: Seek legislative action to increase the total cost paid by the State for indemnity coverage from 40% to the national average of 69%.

Recommendation 8: Seek legislative action to provide an employer-funded flexible compensation plan and fund it for each employee based on the current cost to the employee for employee-children coverage under the Comprehensive Major Medical Plan (\$90.12 per month). This type of arrangement would provide employees with an opportunity to spend these dollars as they choose and decide among the benefits, levels of coverage, and form of compensation (cash, savings, or benefit purchases). For example, employees who do not need to cover family members under the health insurance plan may use this \$90 toward the cost of other University taxable and non-taxable benefits. For HMO participants, this would help to defray the cost of employee-only coverage.

Recommendation 9: The Study Group recommends that the President consider forming a coalition of University representatives and interested groups, such as representatives from the Public School System, the Community College System, the State Employees' Association of North Carolina (SEANC), and the NC Retired Governmental Employees Association (NCRGEA), to work together to develop a strategy for approaching the General Assembly with regard to the State providing a subsidy for family coverage. It would also be beneficial to explore the possibility of offering an employee and spouse type of coverage.

The Study Group identified other areas that may warrant further study, but due to time constraints the scope of this study was limited.