

WESTERN KENTUCKY UNIVERSITY

OFFICE OF THE PRESIDENT

February 8, 1993

MEMORANDUM

TO: Faculty and Staff
FROM: Thomas C. Meredith, President
SUBJECT: Compensation Increases

Thomas C. Meredith

As you are aware by now, the Board of Regents at its meeting last Thursday, February 4, 1993, approved a compensation plan for Western Kentucky University that provides for increases in our salaries and wages.

A great deal of hard work and study was conducted by a special group that I appointed called the Salary Study Committee, chaired by Dr. Jim Ramsey, Vice President for Finance and Administration. Additional study and deliberation were provided by the University Budget Committee. All of this work resulted in a very positive action by the Board for all who work for Western.

The study concluded that the two groups whose average pay at Western was the farthest from the average of their peers at other institutions were our full and associate professorial level ranks. The assistant professor group was very close to the mean of its peers, and the instructor level group was actually above the level of its peers.

As a result, a three-year plan was adopted which would assure that, as a group, each rank at Western would be at the highest average salary at a Kentucky regional university by 1995-96. To reach this goal, a pool of compensation dollars would be distributed within each rank in each of the three years. For 1993-94, this amounts to 6 percent for the full professor group, 6.6 percent for the associate professor group, 5.4 percent for the assistant professor group, and a 3 percent cost of living increase for the instructor level group.

The pooled dollars for each rank will be distributed according to merit, relationship to peers, and with some consideration being given to Western XXI. The intent is to impact the full professor group, but not necessarily each full professor, by 6 percent, for example.

Data regarding classified personnel, as well as for administrative and professional groups, were not as complete as were the data for faculty. A more intensive effort will be made regarding the gathering of better data for 1994-95 and 1995-96.

Classified employees as a group were found to be very close to the average salary of their peers in this area with the exception of some clerical personnel, nurses, electricians, and building services' employees. Therefore, as a group, a cost of living pool of 3 percent will be distributed to classified personnel according to merit and peer relationship. The study also found that starting wages and salaries were comparatively low at Western and that these were impacting our ability to be attractive in our recruiting efforts. As a result, the Board approved adding a 10 percent increase to the starting wages and salaries paid at entry level.

Administrative and professional employees, as a group, were also found to be close to the average of their peers at other institutions. The Board, therefore, only approved a cost of living increase of 3 percent to be distributed within this group as well. Increases will be based upon merit and relative position to peers at other institutions.

Faculty comprise 39 percent of all employees at Western, classified 39.9 percent, and administrative and professional 21.2 percent. Faculty receive 54.5 percent of the institution's salary base, classified 21.4 percent, and administrative and professional 24.1 percent. Faculty will receive 67.4 percent of the increase, classified 17.1 percent, and administrative and professional 15.5 percent.

In addition to all of the above, it was agreed that a study should be undertaken of our classification system. The study will focus not only on restructuring our current system but also on the possibility of expanding it.

The total cost for funding these increases for 1993-94 is \$2,341,000. Although the new uncommitted dollars for next year fall far short of this amount, the University Budget Committee and the Board of Regents are committed to doing everything possible to find the additional dollars needed from within the university's current budget. If this proves to be impossible, the Board's Finance Committee will recommend how much can be made available for compensation increases. In either case, the distribution of 67.4 percent to faculty, 17.1 percent to classified, and 15.5 percent to administrative and professional together will remain the same. Within the faculty ranks, the relative percentages will be maintained.

The compensation plan approved by the Board is a major positive move for our campus. I want to express my most sincere appreciation to the Salary Study Committee and the University Budget Committee for their hard work and to members of the Board of Regents for their support on this matter.

TCM:lf

Attachment

cc: Board of Regents

WESTERN KENTUCKY UNIVERSITY
Compensation Plan for 1993-94 Increases
February 4, 1993

I. Overview

| <u>Categories</u> | <u>Faculty</u> | <u>Classified</u> | <u>Administrative and Professional</u> |
|---------------------|----------------|-------------------|--|
| Number of Employees | 556 | 569 | 302 |
| % of Employees | 39.0 | 39.9 | 21.2 |
| % of Salary Base | 54.5 | 21.4 | 24.1 |
| % of Increase | 67.4 | 17.1 | 15.5 |

II. Plan for 1993-94

| | <u>% Increase</u> | <u>Dollars Required</u> |
|--|-------------------|-------------------------|
| A. <u>Faculty</u> | | |
| Full | 6.0 | \$ 786,000 |
| Associate | 6.6 | 398,000 |
| Assistant | 5.4 | 340,000 |
| Instructor | 3.0 | <u>55,000</u> |
| Total | | \$1,579,000 |
| B. <u>Classified</u> | | |
| All Classified Pool | 3.0 | \$306,000 |
| Starting Wage Level | 10.0 | <u>94,000</u> |
| Total | | \$400,000 |
| C. <u>Administrative and Professional</u> | | |
| Total | 3.0 | \$362,000 |
| D. <u>Total</u> | | |
| | | <u>\$2,341,000</u> |