

2021 UUP Salary Compression Analysis and Distribution Message from President Fred Kowal

The 2016-2022 NYS/UUP contract established four annual salary pools, each one-half percent (0.5%) of total basic annual salaries at each campus, for distribution to eligible UUP-represented employees to address salary compression. Generally, salary compression exists when the salaries of more experienced employees have not increased sufficiently relative to the salaries of colleagues hired later.

The first two pools were distributed in 2019 and 2020. The remain two pools will be distributed this year and in 2022. A joint SUNY/UUP executive-level committee has reviewed the 2019 and 2020 results and updated the 2021 guidelines on the methodology for identifying salary compression and distributing the 2021 0.5% pool.

As was true in 2019 and 2020, we anticipate that the extent of identified salary compression in 2021 will again significantly exceed the resources available for 2021 to remediate it. However, the process is a critical step forward in addressing a problem that plagues both SUNY and higher education nationally.

Salary compression is identified using multiple regression analysis, a statistical technique that measures the relationship between salary and several factors that potentially impact it. The guidelines specify the data used to complete the analyses. Generally, each employee's data include basic annual salary (excluding stipends, differentials, also receives, and prior DSI), state budget title, academic rank, campus title for professionals, professional SL grade, years of service, academic discipline, professional functional area, and a market benchmark salary for the discipline or functional area.

Using those data points, campuses must run regression analyses to identify the extent of compression among UUP-represented employees. These analyses identify the extent to which the salaries of more experienced employees may be compressed relative to the salaries of less experienced employees in their academic disciplines or professional functional areas on each campus.

The guidelines must be followed to the greatest extent possible. However, it is impossible to anticipate every campus-specific variation which may require campus-specific deviations. When such deviations are made, they must be consistent with the intent of the guidelines and the goal of remediating salary compression and be reviewed with SUNY at the state level.

Once the regression analyses are complete, each campus must determine the distribution of their 2021 0.5% compression pool. The 0.5% pool must be used to address identified compression and cannot be used for any other purpose, including but not limited to merit or addressing other perceived inequities.

The vast majority of UUP represented employees must be included in the regression analyses and are potentially eligible for compression adjustments. However, clinical academic physicians who participate in clinical practice plans and certain part-time coaches, part-time EOC faculty, and part-time college physicians are excluded from regression analysis and are instead eligible for base salary adjustments utilizing alternate criteria.

In addition, in certain circumstances management may choose to exclude other types of employees from the regression analyses and from receipt of compression adjustments. These include:

- Employees paid on a fee basis whose income cannot effectively be annualized who earned less than \$2,500 in the prior year.
- Employees who have been off payroll on leave without pay for two years or more.

- Visiting academics with less than four years of service.
- Division 1 athletic directors and Division 1 head coaches who have individually negotiated, market-based contracts which include performance incentive payments.
- Certain unusually highly compensated faculty (primarily at the University Centers and Health Science Centers) whose salaries deviate significantly from expected salary given academic rank, market, and years in rank.

Once the regression analyses are complete, management discretion to determine how the salary compression pool will be distributed is also expressly limited. Campuses are strongly encouraged to provide proportional adjustments to all employees identified as compressed. While campuses may choose to remediate certain departments/functional areas more rapidly, no department may be excluded from remediation entirely. Campuses may also choose to:

- Establish a dollar threshold of identified compression for full-time employees, pro-rated for part-time employees, below which employees may not be remediated (such a threshold may not exceed \$2,500 and must be uniformly applied).
- Exclude certain less-senior employees including new employees with less than two years of service and certain part-time employees with less than two years of service.
- Exclude any full-time non-renewed employee serving in their final year of service or any employee working under a settlement agreement which includes an exit strategy.

Except for those employees specifically identified above, individual employees with identified compression may not be excluded from remediation. Employees who receive salary compression adjustments are not disqualified from consideration for Discretionary Salary Increases (DSI). Receipt of DSI also does not disqualify employees from eligibility for compression adjustments.

By and large, our review of the 2020 process once again confirmed that, overall, the methodology worked as intended. Thus, much continues unchanged for 2021. Updates to the 2021 guidelines addressed issues of mutual concern to continue to improve the integrity of the analyses.

We have also entered an updated agreement for 2021 addressing the information and data that will be provided to UUP and to individual employees to improve transparency and our ability to review and analyze the results of the 2021 distribution. Individual employees who desire to do so, following request to their campus HR departments, are entitled to review their individual non-proprietary data points that were used in the regression analysis.

The salary compression distributions will be paid no later than Pay Period 18 (paycheck dated 12/22/21) at the comprehensive and tech campuses. University centers and health sciences centers that may require additional time to complete the analysis have until Pay Period 19 (paycheck dated 1/5/22) to process and pay the compression distributions.

As was the case with the 2019 and 2020 distributions, both UUP and SUNY will review the outcome of the 2021 distribution and reconvene in Executive Level Labor Management discussions as necessary to make any needed mutually acceptable adjustments in the process for 2022.

UUP's ongoing goal remains ensuring that the salary analysis at every campus is done as accurately as possible, given the variation in employee positions across our campuses. As we did for 2019 and 2020, UUP will establish a process to address member questions and collect input about the 2021 compression distributions. We will begin that process after compression adjustments are made.