

## **Faculty Senate**

### **M YYYY.YY.# 2022.7.2 Motion to Recommend Salary Raise Distribution for FY 2023**

#### **Originator: Budget and Finance Committee**

Whereas,

The sustainability of the human capital (staff, faculty, and administrators) at The University of Memphis is crucial to the continuous growth and maintenance of R1 status.

Whereas,

Inflation is high: ending in December of 2021, the Consumer Price all-items Index (CPI) had an annual increase of 7%<sup>1</sup> with forecasts that it will be higher in the spring.

Whereas,

Governor Lee submitted a budget proposal for Fiscal Year (FY) 2022-2023, which includes a total raise pool of 4% for the next fiscal year. The final state budget signed into law by the legislature and governor may include a salary raise pool of 4%.

Whereas,

The increase in the salary pool authorized by the Legislature and Governor last year was not fully funded and faculty and staff salaries were not increased as much as authorized.

Whereas,

The Budget and Finance Committee (B&FC) of the Faculty Senate anticipates an adequate response from The University of Memphis—given university growth, a CPI of 7%, expected state approval of a 4% salary increase, and a 2020-2021 salary increase that was not fully funded.

Whereas,

The Faculty Senate passed a compensation motion in 2019 (attached) recommending the following priority list for annual salary raise distributions: across the board raises equal to the rate of inflation, salary compression, equity, and merit raise—in this order.

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<sup>1</sup> “The all-items index rose 7.0 percent for the 12 months ending December, the largest 12-month increase since the period ending June 1982.” (US Bureau of Labor Statistics, 2022)  
URL=<<https://www.bls.gov/news.release/cpi.nr0.htm>>

Be it resolved that,

The B&FC, following the compensation motion approved by the Faculty Senate in 2019, makes the following recommendations for the distribution of the expected and approved 4% salary-raise pool:

1. The University of Memphis should fully fund and allocate the entirety of the approved salary pool. The portion not completely funded by the state should be funded from internal resources/funds.
2. The total wage/salary pool for the entire university should be allocated into three distinct pools for administrators, faculty, and staff. Salary increases within each group should be funded only from that pool, and funds from one segment should not be reallocated to another without clear reasons and justifications.
3. The state's approved 4% increase of the salary pool should be allocated as follows.
  - A. An across-the-board raise for Cost-of-Living Adjustment (COLA). This amount should be 4% of the 2022 average salary of all full-time faculty members (both 9-month and 12-month faculty). For example, if the average salary was \$90,000 in 2021, then the raise amount should be \$3,600 ( $90,000 \times .04 = 3,600$ ).
  - B. If The University of Memphis plans to give additional raises to the faculty, such as for salary compression, equity, and merit, then the university should allocate the funds from other sources and use them for these purposes.

Recipients:

M. D. Rudd, President

Tom Nenon, Provost and EVP

Raaj Kurapati, CFO and EVP

Motion ### 1//25/2021

Vote: # For, # Against, # Abstain