MEMORANDUM

TO: Council of Presidents
FROM: Chancellor Thom Reilly
DATE: September 21, 2017
RE: Clarification – Salary Adjustments for Faculty and Other Professional Staff

In my recent conversations with faculty and the presidents, I have become aware that there is a need for further clarification of the memorandum sent on July 24, 2017, by then-Acting Chancellor Jane A. Nichols. This communication is intended to modify that memorandum and more clearly define the type of salary adjustments that may be made by a president in this 2017-18 fiscal year (in addition to COLA). The 2017 legislature authorized COLA salary increases of 3 percent for each year of the biennium. I am appreciative of the legislative budgetary support of those COLA adjustments for all our state-supported employees for this year and next.

Assembly Bill 518 (Chapter 396, Statutes of Nevada 2017) stated clearly that state appropriations may not support professional merit salary increases. Additionally, in light of the legislature’s concern, general merit salary adjustments from any other source of funds should be avoided in this period. We will have further policy discussions about whether potential implementation of merit adjustments is possible, but for now, all such merit adjustments should be avoided. This does not apply to circumstances when a President decides a valid, individual salary adjustment is necessary (such as retention offers).

Implementation of individual salary adjustments based on valid equity studies may be carried out on a case-by-case basis within NSHE policy. Unlike merit, equity salary increases by their nature, cannot be based on performance. Procedures and Guidelines Manual, Chapter 3, Section 2, provides guidance for adjusting personnel salaries for equity. This section provides the following:

**Salary Equity Adjustments.** Each institution shall adopt an Equity Salary Adjustment Plan agreed upon by the faculty senate and the president. The Plan must include but is not limited to the following:

1. Providing for an initial and thereafter, biannual review of the salaries of academic faculty to determine whether a faculty member’s salary is appropriate as compared to the salaries of other faculty at the institution based upon years of experience and educational attainment.
2. Identify institutional resources to fund equity adjustments.
3. Providing for appropriate adjustment of salaries which may be phased-in incrementally depending on funding resources.
4. The salary equity study may be performed by institution personnel or the institution may hire an outside consultant as agreed upon by the president and the faculty senate.

5. The results of an equity study shall be provided to the faculty senate.

6. A faculty member may request an equity review of his or her salary.

7. Reporting annually to the Board of Regents regarding the progress made in implementing salary equity adjustments identified in an equity study.

Let me assure you that NSHE has a strong commitment to paying our faculty and staff well and recognizing exceptional effort and work. We will move forward to create sound personnel policy establishing a framework for salary rewards and adjustments.