

4. Fiscal Year 2015-16 Salary Ranges for UNC General Administration (GA) Tier I Senior Academic and Administrative Officers (SAAOs) .....Matthew S. Brody

**Situation:** The salary ranges for UNC GA Tier I SAAOs below the level of direct reports to the President have been completed for fiscal year 2015-2016. These salary ranges would be effective immediately, upon approval by the Board of Governors (BOG).

**Background:** University of North Carolina Policy 200.6 requires the President to prepare salary ranges for all Tier I SAAOs employed by UNC GA for approval by the BOG. These salary ranges are necessary to conduct the University’s annual raise process (ARP) for the covered individuals and to provide ongoing salary administration during the fiscal year. The salary ranges for the President, Chancellors, and the direct reports to the President were previously presented and approved by the BOG as part of the recent Buck Consultants study on executive compensation.

**Assessment:** Longstanding policy requires the University to set SAAO salary ranges based on applicable market data from peer institutions. National salary survey data is purchased each year from the College and University Personnel Association (CUPA), and ranges are set according to an established statistical methodology. UNC GA has revised this methodology for this fiscal year to assure it meets current compensation best practices and better positions the University to compete for talent, not just in higher education, but also in the broader not-for-profit and private sectors, as necessary. In revising UNC GA’s methodology, we sought to more closely align to the approach used by Buck Consultants in preparing the recent executive compensation study, to assure that lessons learned regarding market pay practices could be applied at all levels of executive talent within the University. Previously, UNC GA utilized only one prior year of salary market data to construct its salary ranges for the new fiscal year, and the midpoint of the range was used as a salary target with a range spread of a little over 50%. This approach caused our salary ranges to be unduly impacted by the turnover of one or more highly compensated individuals in a single year at peer institutions, which could significantly skew the market data. Also, the use of the midpoint to set the target salary, as well as a relatively narrow range spread did not assure our salary ranges were sufficiently competitive in the markets for which UNC GA recruits for talent. UNC GA has now adopted a methodology that draws on salary market data over the three previous years, in order to limit the impact of single-year turnover at peer institutions. This revised approach also utilizes the 75<sup>th</sup> percentile and a range spread of up to one-hundred-percent (100%), based on the level of executive position. This revised methodology aligns well with the recommendations of Buck Consultants from the recent executive compensation initiative, and also assures that salary ranges will be more competitive at multiple levels of executive leadership. This will afford the President with the necessary flexibility to attract and retain the best executive talent possible.

**Action:** A vote is required for the approval of the salary ranges (attached) for UNC GA Tier I SAAOs that are below the level of a direct report to the President. This includes Vice Presidents, Associate Vice Presidents, Assistant Vice Presidents, and the Secretary of the University.



**FY 2015-16 Salary Ranges  
For UNC-GA Tier I Senior Academic and Administrative Officers (SAAOs)  
Revised as of August 5, 2015**

**3-Year Aged Ranges**

Group	Campus	Equity Ranges	Job Title	Current Salary	2015-16 Salary Ranges 3-Year Aged Data					\$ to Market Range
					1	2	3	4	5	
					Minimum	50th Percentile	Range Minimum	75th Percentile	Range Maximum	Maximum
0	UNC-GA		Vice President for Compliance & Audit Services	\$132,300	\$120,591	\$167,687	\$35,387	\$180,887	\$48,587	\$241,183
0	UNC-GA		Vice President for Human Resources	\$215,400	\$148,383	\$180,236	\$0	\$222,575	\$7,175	\$296,766
0	UNC-GA		Vice President for Information Resources and Chief Information Officer	\$254,140	\$210,124	\$244,175	\$0	\$315,186	\$61,046	\$420,248
0	UNC-GA		Associate Vice President for Institutional Research	\$129,626	\$96,470	\$126,057	\$0	\$144,704	\$15,078	\$192,939
0	UNC-GA		Vice President for Communications	\$165,207	\$161,688	\$198,172	\$32,965	\$242,533	\$77,326	\$283,687
0	UNC-GA	*	Vice President for Research and Graduate Education	\$239,675	\$242,829	\$266,320	\$26,645	\$291,394	\$51,719	\$388,526
0	UNC-GA	*	Executive Director, NC SEAA	\$190,000	\$145,003	\$156,006	\$0	\$217,505	\$27,505	\$290,006
0	UNC-GA	*	Vice President International, Community and Economic Engagement	\$159,000	\$145,003	\$156,006	\$0	\$217,505	\$58,505	\$290,006
0	UNC-GA	*	Vice President for Academic & University Programs	\$159,000	\$145,003	\$156,006	\$0	\$217,505	\$58,505	\$290,006
0	UNC-GA	*	Vice President for Academic and Student Success	\$159,000	\$145,003	\$156,006	\$0	\$217,505	\$58,505	\$290,006
0	UNC-GA	*	Assistant Vice President for Academic & University Programs	\$107,830	\$92,802	\$99,882	\$0	\$139,203	\$31,373	\$185,604
0	UNC-GA	*	Assistant Vice President for Federal Relations	\$104,550	\$92,802	\$99,882	\$0	\$139,203	\$34,145	\$185,604
0	UNC-GA	*	Assistant Vice President for Academic & Student Affairs	\$114,507	\$92,802	\$99,882	\$0	\$139,203	\$24,696	\$185,604
0	UNC-GA	*	Associate Vice President for Academic Planning & State Authorization	\$143,000	\$116,002	\$124,853	\$0	\$174,004	\$31,004	\$232,005
0	UNC-GA	*	Associate Vice President for Academic Policy, Planning and Analysis	\$131,182	\$116,002	\$124,853	\$0	\$174,004	\$42,822	\$232,005
0	UNC-GA	*	Associate Vice President for Research and Graduate Education	\$122,066	\$116,002	\$124,853	\$2,787	\$174,004	\$51,938	\$232,005
0	UNC-GA	*	Vice President for Finance	\$175,000	\$153,413	\$200,617	\$25,617	\$230,120	\$55,120	\$306,826
0	UNC-GA	*	Associate Vice President for Human Resources	\$124,200	\$88,867	\$114,200	\$0	\$133,301	\$9,101	\$177,735
0	UNC-GA	*	Associate Vice President for Human Resources & University Benefits Officer	\$144,003	\$94,002	\$99,607	\$0	\$144,033	\$30	\$188,043
0	UNC-GA	*	Associate Vice President for Finance	\$119,903	\$92,048	\$120,370	\$487	\$138,072	\$18,169	\$184,096
0	UNC-GA	*	Associate Vice President For Finance	\$116,970	\$92,048	\$120,370	\$3,400	\$138,072	\$21,102	\$184,096
0	UNC-GA	*	Associate Vice President for Safety & Emergency Operations	\$150,029	\$133,575	\$123,000	\$0	\$200,363	\$50,334	\$267,150
0	UNC-GA	*	Vice President for Federal Relations	\$156,755	\$114,630	\$133,178	\$0	\$171,945	\$15,190	\$229,261
0	UNC-GA	*	Vice President State Government Relations	\$151,605	\$109,172	\$126,836	\$0	\$163,758	\$12,153	\$218,344
0	UNC-GA	*	Assistant Vice President for Legal Affairs	\$97,568	\$75,748	\$92,346	\$0	\$113,621	\$16,053	\$151,495
0	UNC-GA	*	Assistant Vice President ERP Systems Integration Officer	\$123,160	\$70,483	\$99,441	\$0	\$105,724	\$0	\$140,966
0	UNC-GA	*	Vice President for Legal Affairs & Deputy General Counsel	\$182,000	\$141,320	\$172,288	\$0	\$211,980	\$29,980	\$282,640
0	UNC-GA	*	Associate Vice President for Legal Affairs	vacant	\$94,685	\$115,433	\$0	\$142,027	\$0	\$189,369
0	UNC-GA	*	Associate Vice President for Finance & Capital Planning	\$135,000	\$102,418	\$130,585	\$0	\$153,676	\$18,676	\$204,834
0	UNC-GA	*	Assistant Vice President for University Advancement	\$105,000	\$83,630	\$103,204	\$0	\$125,444	\$20,444	\$167,260
0	UNC-GA	*	Secretary of the University	\$141,795	\$90,437	\$90,513	\$0	\$135,656	\$0	\$180,874
0	UNC-GA	*	Vice President for Advancement	\$155,000	\$139,383	\$172,007	\$17,007	\$209,074	\$54,074	\$278,766
0	UNC-GA	*	Associate General Manager & General Counsel	\$151,015	\$110,166	\$148,502	\$0	\$165,248	\$14,233	\$220,331
0	UNC-GA	*	Associate General Manager UNCTV (interim GM)	\$180,856	\$146,888	\$198,002	\$17,146	\$220,331	\$39,475	\$293,775

# UNC General Administration ~ Division of Human Resources

## Fiscal Year 2015 – 2016 Salary Ranges for UNC General Administration Tier I Senior Academic and Administrative Officer (SAAO) Job Titles

### Overview and Purpose

The University's salary ranges for Senior Academic and Administrative Officer (SAAO) positions Exempt from the State Human Resources Act (EHRA) are market-based to support attraction and retention of highly qualified executive talent at UNC General Administration. The established salary ranges are also designed to inform sound and equitable salary setting decisions, which promotes good stewardship of State and University budgetary resources.

### Compensation Rates

For each unique senior officer job title and peer group, there are a series of compensation rates intended to inform individual compensation decisions. These rates are as follows:

- The "**Minimum**" defines the start of the assigned salary range and the minimum compensation level for a position. There may be situations where an individual is paid below this minimum, but that is typically not the case absent extenuating circumstances. Individuals paid below the minimum may be brought to the salary range minimum all at once or in an incremental manner, as deemed appropriate and as resources permit.
- The "**50<sup>th</sup> Percentile**" represents the salary amount at which 50% of the individuals in like positions at surveyed peer institutions make equal to or less than this amount, and 50% make greater than this amount. This is a representation of the "middle of the market" for compensation of the subject position.
- The "**75<sup>th</sup> percentile**" represents the salary amount at which 75% of the individuals in like positions at surveyed peer institutions make equal to or less than this amount, and 25% make greater than this amount. This is a representation of the upper quartile of the market, which may be utilized to recognize high performing, highly experienced, specialized, or hard to recruit or retain talent.
- The "**Maximum**" defines the end of the assigned salary range and the maximum compensation level suitable for a position. Exceeding this amount is generally not expected, and requires extenuating circumstances, supporting market data, and approval from the President and/or the Board of Governors, as applicable.

### Methodology

- The salary ranges are based on annual survey data from the College and University Personnel Association (CUPA).
- The University uses the prior three (3) years of CUPA survey data in developing its salary ranges and "ages" this data to account for inflation of salaries over the multi-year period.
- Whenever possible, individual position salary ranges are constructed directly from equivalent positions identified in the CUPA salary survey. However, if a position does not have a precise equivalent and/or lacks sufficient peer data in the CUPA survey, an "equity range" is assigned based on a benchmark position that has similar attributes or a defined subordinate relationship. In this instance, the salary range minimum, 50<sup>th</sup> and 75<sup>th</sup> percentile, and salary range maximum are derived and are a best faith estimate of market utilizing available CUPA salary survey data.

- The salary ranges are developed around the 75<sup>th</sup> percentile of the CUPA market data to assure that the University has the ability to match and, when necessary, lead market in compensating hard to recruit or retain executive talent.
- The salary ranges are constructed using intentionally broad salary range spreads, so that salary range minimums can accommodate less experienced, developmental talent and salary range maximums can stretch to accommodate highly experienced, hard to recruit executive talent. The range spread represents the percentage difference between the salary range minimum and maximum.
- Tier I SAAO positions feature a salary range spread of 100%, with the next-level Tier II SAAO positions featuring an 80% salary range spread. The President, the President's direct reports, and the Chancellor salary ranges feature 150% salary range spreads, as was recommended by the University's external compensation consultant (Buck).

### Using Salary Ranges in Individual Salary Setting

A specific salary amount for any individual employee is based on a variety of factors, which must be considered in totality by management. For illustrative purposes, these factors may include, but are not limited to:

- Available budgetary resources
- Demonstrated employee knowledge, skills and experience
- Employee performance and demonstrated accomplishments
- Possession of an advanced degree or professional credentials that enhance the employee's ability to perform required or essential duties of the position
- Scarcity and uniqueness of employee skills and abilities in the context of the relevant local, regional, national, or international labor market(s)
- Equity and salary relationships to substantially equivalent incumbents within the employee's work unit, School/Division, or the employing unit as a whole
- The cost, impact, and/or time necessary of having to replace a key employee as opposed to retention
- The employee's current positioning with respect to the 50<sup>th</sup> and/or 75<sup>th</sup> percentiles, given their skills, abilities, knowledge, and performance

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