

# How Do UNAC Members' Salaries Compare?

September 2016

UNAC and Alaska K-12 teacher salaries  
compared to a sample of Lower 48  
peers for the 2015-2016 academic year

## Some UA/UNAC Facts:

- UA and UNAC both recognize that UNAC faculty are part of a competitive national academic job market.
- According to UA data, for 2015-2016 about 70% of UNAC members were at or above their OSU salary benchmarks and about 30% were below market and received a market adjustment.  
NOTE: Market adjustments are dollar-to-dollar and are not adjusted for cost of living.

## More UA/UNAC Facts:

- According to UA data, for the 2015-2016 year the total UNAC payroll for 884 members was \$75,238,231.
- This implies an average salary for UNAC members of about \$85,000 in 2015-2016.
- Almost all UNAC members are at one of the three UA main campuses (MAUs): UAA (Anchorage), UAF (Fairbanks), or UAS (Juneau).

# UNAC Salaries: Digging deeper...

- How do UNAC members' salaries and K-12 teacher salaries compare to a small sample of Lower 48 peers, respectively, in the same geographic areas?
- How do typical salaries of both K-12 teachers and UNAC faculty compare with the difference between the cost of living in Alaska and these geographic areas? Is it a premium or a discount?

# Random Small Sample of UA Peers

- UAA: Boise State, Cleveland State, University of Nebraska Omaha
- UAF: Montana State, North Dakota State, Oregon State
- UAS: Lewis-Clarke State College, Western Oregon University

NOTE: These 8 MAU peers were randomly selected from lists developed by UA.\*

*\*Research in the UA System, 12/2012, PAIR*

## Average 2015-16 Salaries of 8 UA Peer Institutions (AAUP and *Oregonian*):

- Boise State: \$68,300
- Cleveland State: \$80,800
- University of Nebraska Omaha: \$72,100
- Montana State: \$79,700
- North Dakota State: \$80,500
- Oregon State: \$83,400
- Lewis-Clarke State College: \$51,600
- Western Oregon University: \$86,000

# UNAC Salaries Compared to Salaries of 8 Peer Institutions

- Averaging the averages of all 8 randomly selected UA-determined peer institutions results in an average salary of \$75,300 for this sample of UA peers in 2015-2016.
- This means that the average UNAC member salary of about \$85,000 is approximately 13% higher for 2015-2016 than the sample peer group of 8 comparable institutions.
- The UNAC “Alaska Premium” is 13%!

# What is the “Alaska Premium” for a UNAC peer group in Alaska?

- Closest peer group in Alaska to UNAC faculty are K-12 teachers.
- Consider K-12 teacher salaries in Anchorage, Fairbanks, and Juneau (i.e., these districts are where UAA, UAF, and UAS are located).
- Since “average” teacher salaries are not readily available for school districts, find the midpoint of the salary range for each of the three districts from the 2015-2016 salary schedule from respective collective bargaining agreements.



# Typical K-12 teacher Salaries in Alaska

School District	Min to max salary for 2015-2016 from CBA	Midpoint of 2015-2016 salary range
Anchorage (ASD)	48,402 to 89,091	\$68,746
Fairbanks (FEA)	48,308 to 93,876	\$71,092
Juneau (JEA)	49,662 to 89,452	\$69,557

Averaging the salary midpoints of the three districts results in an overall *typical* Alaska K-12 teacher salary of \$69,798 for 2015-2016.

What are typical K-12 teacher salaries in the peer school districts of the 8 UA peer institutions? This information allows comparison of K-12 teacher salaries to the same geographic areas of the UA peers.

Comparing the Alaska and UA peer K-12 teacher salaries enables calculation of an “Alaska Premium” (or discount?) for K-12 teachers.

# Midpoint of Salary Range for UA Peer K-12 School Districts

School District	Min to max salary for 2015-2016 from CBA	Midpoint of salary range
Boise	35,932 to 66,228	\$51,080
Cleveland	32,494 to 61,919	\$47,206
Omaha	38,849 to 63,960	\$51,404
Bozeman	38,802 to 74,113	\$56,457
Fargo	40,644 to 78,003	\$59,323
Corvallis	37,199 to 72,001	\$54,600
Lewiston	31,542 to 61,250	\$46,396
Monmouth	33,153 to 61,879	\$47,515

Averaging the midpoints of the salary ranges results in a typical K-12 teacher salary of \$51,748 for the 8 peer districts, compared to \$69,798 for Alaska.

The “Alaska Premium” for Alaska K-12 teachers is about 34%!

# What do these findings tell us?

- Both UNAC members and Alaska K-12 teachers are paid significantly more than their peers in this small sample of 8 UA peers and local school districts.
- Based on this analysis, Alaska K-12 teachers are paid an “Alaska premium” (34%) that is about 21% more than is paid to UNAC faculty (13%) compared to their respective peers in the same geographic areas.

# Are UNAC members and K-12 teachers in Alaska both overpaid? No...

Moving from this city...	To this city...	You need this % increase in income for the same standard of living...*	Or, you need this % increase in income for the same standard of living...**
Boise	Anchorage	44.4%	34%
Cleveland	Anchorage	30.7%	27%
Omaha	Anchorage	45.2%	44%
Bozeman	Fairbanks	32.0%	33%
Fargo	Fairbanks	37.7%	43%
Corvallis	Fairbanks	5.5%	10%
Lewiston	Juneau	43.4%	54%
Monmouth	Juneau	2.4%	8%

See cost of living calculators at [\\*money.cnn.com](http://money.cnn.com); [\\*\\*payscale.com](http://payscale.com).

# The Alaska Premium and Cost of Living in the 8 UA peer geographic areas:

- Averaging both cost of living calculations for all 8 UA peers (16 data points) implies that it is about 31% more expensive to live in Alaska (i.e., Anchorage, Fairbanks, Juneau) than in the 8 peer geographic areas.
- This suggests that the 34% “Alaska Premium” for the K-12 teachers is about right.
- This also suggests that the 13% “Alaska Premium” for UNAC members is too low.

# UA Leadership Understands the Higher Cost of Living in Alaska:

From the 9/16/2016 online edition of the *Alaska Dispatch News* concerning UA tuition:

By 2025 [UA president], Johnsen said he hopes to have Alaska's tuition closer to the Western states' average, plus an increase to account for the "Alaska factor" – the extra cost of doing business in a remote state. "Our costs are going to be higher," Johnsen said. "Half of our campuses are inaccessible by land. So it is reasonable that we apply a premium – an Alaska factor as you would."

## Putting it all together...

- UNAC and Alaska K-12 teacher salaries are both higher than their respective peers in this small sample and this is measured using different, but reasonable, metrics.
- While it might be expected that UNAC and K-12 teacher salaries would be proportionally higher than their peers, this is not the case.
- K-12 teachers have an “Alaska Premium” 21% higher than UNAC relative to their peers.

# Putting it all together (cont'd)...

- Since the cost of living in a given area is similar for everyone, one takeaway of this analysis is that UNAC members need an 18-21% raise to match the “Alaska Premium” that K-12 teachers have.
- K-12 teachers in Alaska are not paid too much relative to their peers, but about right given the cost of living in Alaska.
- UNAC members are paid (sort of) OK relative to their peers on a dollar-to-dollar comparison, but are actually significantly underpaid when the cost of living in Alaska is considered.



Questions??