

**Memorandum
Fairfield University**

TO: All Members of the General Faculty

FROM: Faculty Salary Committee and Administrative Compensation Team

DATE: June 7, 2018

RE: Summary information regarding terms of 2018-2020 MOU

The purpose of this memo is to summarize the items agreed to in the 2018-2020 MOU that will be implemented in FY 2019.

A. Salary Increases

The 2018-2020 MOU provides for 3 salary increments for full-time faculty members for FY 2019. Per the vote of the General Faculty on April 27, 2018, and the approval of Provost Christine Siegel, all merit for FY 2019 will be paid as Standard Merit.

1. Each faculty member will receive a one-time, base pay increase of \$500, effective September 1, 2018, prior to application of Standard Merit (MOU, Paragraph D).
2. A Supplemental Budget of 0.75% of the faculty salary pool for 2017-2018 is provided (MOU, Paragraph E). Per the vote of the General Faculty on May 23, 2018, and the approval of Provost Christine Siegel, the Supplemental Budget will be distributed to returning full time faculty as follows:

Assistant Professors:	\$ 134
Associate Professors:	\$ 2
Full Professors:	\$ 2,590

The rationale for these amounts and the supporting calculations were distributed in the FSC Memo to the General Faculty of May 12, 2018.
3. The Standard Merit increase for FY 2019 will be 2.25%. Standard Merit will be distributed to recipients as a percent of salary or of the mean of the rank, whichever is greater (MOU, paragraph B).

B. Rank Means

The 2017-2018 mean for each rank and the 2.25% increase for each mean are as follows. For each rank, both the \$500 increase and the amount awarded from the Supplemental Budget has been added to the mean of the rank, before the calculation of the 2.25% increase.

<u>Rank</u>	<u>2017-2018 Mean*</u>	<u>Mean of Rank Increase (2.25%)</u>
Instructor	\$ 72,031.89	\$ 1,621
Assistant	\$ 86,678.16	\$ 1,950
Associate	\$ 99,268.02	\$ 2,234
Professor	\$ 130,353.92	\$ 2,933

*The Mean Salary shown for each rank is calculated by adding \$500 plus the amount awarded from the Supplemental Budget to the AY 2017-2018 mean for that rank. Increases are rounded to the nearest dollar.

C. Rank Minimums

The minimum salary for each rank in AY 2018-2019 will be:

<u>Rank</u>	<u>Minimum Salary*</u>
Instructor	\$ 62,538
Assistant	\$ 77,613
Associate	\$ 88,801
Professor	\$ 119,488

*The Minimum Salary for each rank is calculated by first adding \$500 plus the amount awarded from the Supplemental Budget to the minimum for AY 2017-2018, and then adding 2.25%.

D. In the event of a promotion in rank, the faculty member will receive the greater of the following:

- a) their current base salary plus the three increases listed in Item A to the current base salary plus \$1,000, or
- b) the minimum of the new rank plus any additional merit compensation awarded to the faculty member beyond standard merit prior to the current year.

E. The salary paid for part-time instruction to full-time faculty members (beyond normal load) and the salary for credit courses for adjunct faculty who are not full-time faculty members will be as follows. Higher payments are occasionally made as market conditions dictate.

AY 2018-2019	
Non-terminal degree	\$5,000
Terminal degree	\$5,500

F. The employee's premium cost share will increase from its current level of 22.5% for all coverage levels to 23.5% on January 1, 2019.

G. Medical Reserve Fund Reconciliation

As of May 2018, using Calendar Year 2017 usage data.

1. Calculation of Budget Surplus

Calendar Year 2017 Gross Plan Budget:	14,261,970
Calendar Year 2017 Gross Plan Cost: (As of December 2017 Experience Report)	13,709,311

Difference:	552,659
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Employee Cost Share: 20%

Employee Portion of Budget Surplus:	110,531.80
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2. Reconciliation Calculation for Reserve Fund Balance

Previous Reserve Fund Balance (January 2018):	612,109
Budget Surplus for 2017:	110,531.80

Subtotal:	722,640.80
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Percent increase in Per Employee costs December 2016 – December 2017: 2.9% increase (from Mercer Experience Report, Dec 2017, page 5)	20,956.58
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New Reserve Fund Balance (as of May 2018):	743,597.38
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This is 5.42% of Calendar Year 2017 Gross Plan Cost and so will not affect premiums for Calendar Year 2019.

H. Sample Salary Calculation

For faculty members who have not received a promotion this year, and are interested in verifying their salary calculations, we provide the following template below. Faculty who have received a promotion this year, please see Item D.

AY 2017-2018 Base Salary + \$500 + \$Supplemental Budget* = Subtotal

The amount to add for the \$Supplemental Budget* is \$0 for Instructors, \$134 for Assistant Professors, \$2 for Associate Professors, and \$2,590 for Full Professors. (See Item A.2 above.)

To your Subtotal, add the greater of: 2.25% of your Subtotal, or the Mean of the Rank Increase for your rank (Item B).

This total is your Base Salary for AY 2018-2019.

Faculty Salary Committee

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