

**Memorandum
Fairfield University**

TO: All Members of the General Faculty
FROM: Faculty Salary Committee*
DATE: June 6, 2019
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 2020. The final item provides sample salary calculations.

A. Salary Increases

The 2018-2020 MOU provides for 2 salary increments for full-time faculty members for FY 2020. Per the vote of the General Faculty on April 12, 2019 and the approval of Provost Christine Siegel, all merit for FY 2020 will be paid as Standard Merit.

1. A Supplemental Budget of 0.75% of the faculty salary pool for 2018-2019 is provided (MOU, Paragraph E). Per the vote of the General Faculty on April 12, 2019 and the approval of Provost Christine Siegel, the Supplemental Budget will be distributed to returning full-time faculty as follows:

Assistant Professors:	\$ 1,652
Associate Professors:	\$ 0
Full Professors:	\$ 901

The rationale for these amounts and the supporting calculations were distributed in the FSC Memo to the General Faculty of April 2, 2019. This amount is added to the 2018-2019 faculty base salary prior to the application of Standard Merit.

2. 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 2018-2019 mean for each rank and the 2.25% increase for each mean are as follows. For each rank, 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>2018-2019 Mean*</u>	<u>Mean of Rank Increase (2.25%)</u>
Instructor	\$ 73,141.94	\$ 1,646
Assistant	\$ 88,097.04	\$ 1,982
Associate	\$ 102,095.43	\$ 2,297
Professor	\$ 133,689.64	\$ 3,008

*The Mean Salary shown for each rank is the AY 2018-2019 mean for that rank, increased by the amount awarded from the Supplemental Budget. Mean of Rank Increases are rounded to the nearest dollar.

C. Rank Minimums

The minimum salary for each rank in AY 2019-2020 will be:

<u>Rank</u>	<u>Minimum Salary*</u>
Instructor	\$ 63,945
Assistant	\$ 81,048
Associate	\$ 90,799
Professor	\$ 123,098

*The Minimum Salary for each rank is calculated by first adding the amount awarded from the Supplemental Budget to the Minimum Salary for AY 2018-19, and then adding 2.25% of this adjusted Minimum Salary.

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 Supplemental Budget increase (Item A.1), plus Standard Merit increase on their revised base salary (Item A.2), 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 to full-time faculty members for part-time instruction (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 2019-2020	
Non-terminal degree	\$5,000
Terminal degree	\$5,500

F. The employee's premium cost share will increase from its current level of 23.5% for all coverage levels to 25% on January 1, 2020.

G. Medical Reserve Fund Reconciliation

As of May 2019, using Calendar Year 2018 usage data.

1. Calculation of Budget Deficit

Calendar Year 2018 Gross Plan Budget: 14,897,178
Calendar Year 2018 Gross Plan Cost: 15,760,924
(As of December 2018 Experience Report)

Difference: -863,746

Employee Cost Share in 2018: 22.5%

Employee Portion of Budget Deficit: -194,342.85

2. Reconciliation Calculation for Reserve Fund Balance

Previous Reserve Fund Balance (January 2019): 743,597.38
Budget Deficit for 2018: -194,342.85

Subtotal: 549,254.53

Percent increase in Per Employee costs 86,232.96
December 2017 – December 2018: 15.7% increase
(from Mercer Experience Report, Dec 2018, page 6)

New Reserve Fund Balance (as of May 2019) 635,487.49

This is 4.03% of Calendar Year 2018 Gross Plan Cost. This is within the agreed upon 4-6% threshold so no surcharge or reduction to premiums will be effected in 2020.

H. Sample Salary Calculations

We provide two sample templates to help faculty members verify their Base Salary calculations.

1) For faculty members who have not received a promotion this year, use the following template:

AY 2018-19 Base Salary + Supplemental Budget = Subtotal

The amount to add for the Supplemental Budget is \$0 for Instructors, \$1652 for Assistant Professors, \$0 for Associate Professors, and \$901 for Full Professors. (See Item A.1 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 2019-2020.

2) For faculty members who have received a promotion this year, use the following template:

AY 2018-19 Base Salary + Supplemental Budget for Old Rank = Subtotal1

Use the Supplemental Budget amount for your old rank. The amount to add for the Supplemental Budget is \$0 for Instructors, \$1652 for Assistant Professors, \$0 for Associate Professors, and \$901 for Full Professors. (See Item A.1 above).

To your Subtotal1, add the greater of:
2.25% of your Subtotal1, or the Mean of the Rank Increase for your new rank (Item B).

Add \$1,000.

This total is Total1.

Total2 is the Minimum Salary of the new rank (Item C), plus any additional merit compensation you have been awarded beyond standard merit.

The maximum of Total1 and Total2 is your Base Salary for AY 2019-2020.

Faculty Salary Committee

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