

Memo of Understanding
Faculty Compensation (Salary and Benefits)
2013-14

After collegial discussions, the Faculty Salary Committee and the Administration have agreed to recommend to the General Faculty for ratification and to the Budget Committee for inclusion in the budget that they submit to the President and the Board of Trustees the following compensation package.

It is understood that if accepted by the General Faculty and Budget Committee and subject to the final approval of the Board of Trustees, through its adoption of the annual budget, all faculty appointments and compensation shall be in accordance with the provisions set forth herein (including the Benefits Plan Overview for Full-Time Faculty) and in the Faculty Handbook as currently amended. All individual, annual letters of appointment will be in accordance with the compensation provisions of this document and with the Faculty Handbook (10th edition updated 2006, and subsequent amendments).

In the event that either the General Faculty or the Budget Committee raise objections to the recommended compensation changes, the Faculty Salary Committee and the Administration will hold further meetings with the intention of resolving the objections. In the absence of a resolution, the Annual Budget adopted by the Board of Trustees shall be final regarding faculty compensation for the ensuing academic year. In this case, the Administration will provide the Faculty Salary Committee with the revised information called for in this document. All individual, annual letters of appointment will be in accordance with the revised compensation provisions of this document and with the Faculty Handbook (10th edition updated, 2006, and subsequent amendments).

Recommended Salary and Benefit Changes.

- A. All faculty will receive compensation and benefits in accordance with the provisions set forth below.
- B. The salary pool will be an increase of 2% of the faculty 2012-2013 salary pool. All salary increases are based on an evaluation of performance according to the criteria of the merit plan.
- C. Standard merit is set at 2%. Faculty who qualify for standard merit will receive an increase of 2% of their salary or 2% of the mean of their rank, whichever is greater. Faculty who do not qualify for standard merit will receive no increase.

As detailed in the Benefits Plan Overview (Appendix I of this document), each full-time faculty member will receive an additional increase to his or her base salary of \$1480 effective January 1, 2014 to offset increased health care costs due to changes in the cost share formula.

D. The 2012-2013 mean for each rank and the increase of 2% for each mean are:

| | <u>Mean</u> | <u>Increase</u> |
|------------|-------------|-----------------|
| Professor | \$115,256 | \$2,305 |
| Associate | \$86,998 | \$1,740 |
| Assistant | \$73,960 | \$1,479 |
| Instructor | \$57,673 | \$1,153 |

E. The Senior Vice President for Academic Affairs will work with the Deans to ensure that the results of the merit and self-evaluation process in each curriculum area are appropriate and have a reasonable degree of consistency across curriculum areas, taking into account distinctions in disciplinary approaches and programmatic and curricular goals. The SVPAA and Deans will also ensure that faculty are being given constructive feedback in the merit and self-evaluation process.

F. As part of the collegial discussions leading up to this MOU, the Administration and the Faculty Salary Committee have discussed a revised benchmarking system for faculty compensation. This system was to be in place for the 2013-14 MOU. While progress has been made, more time and further discussions are needed. As a result, the Administration and the Faculty Salary Committee will continue their discussions on this system as part of the collegial discussions leading up to next year's MOU. The Administration remains committed to maintaining the average of the compensation of the Assistant, Associate and Professor ranks at the 95th percentile for Class IIA institutions in the national AAUP ratings.

Implementing this commitment means that if the current average compensation in any rank is below the 95th percentile, then, in addition to the increase described in section C, each faculty member in that rank will receive the amount of the difference between Fairfield's average compensation for that rank and the corresponding 95th percentile figure. That difference, plus the standard merit percent of that difference, will be added to the next year's minimum starting salary for that rank. This system will remain until replaced by a mutually agreed upon revised system, developed through collegial discussions between the Faculty Salary Committee and the Administration as part of the MOU process for the 2014-15 MOU. Both this commitment and its implementation are subject to financial limitations.

G. The new minimum starting salary for each rank for 2013-2014 is as follows:

| <u>Rank</u> | <u>Minimum</u> | <u>Maximum</u> |
|-------------|----------------|----------------|
| Professor | \$103,112 | \$128,195 |
| Associate | \$76,969 | \$106,070 |
| Assistant | \$65,415 | \$89,126 |
| Instructor | \$53,820 | \$64,825 |

In the 2014-2015 Memo of Understanding, these minimum starting salaries will all be increased by \$1480, and then increased by the standard merit percent.

When market conditions require, new faculty members may be hired at salaries

exceeding the above-designated maximums. The Senior Vice President for Academic Affairs will inform the Faculty Salary Committee in writing of each new position requiring a salary beyond the designated maximum. In all cases, the Faculty Salary Committee will be informed in writing of each hire that exceeds the above-designated maximum.

H. In the event of a promotion in rank, the faculty member will receive the greater of the following: a) their current base salary plus annual merit plus \$1,000, or b) the minimum of the new rank plus any additional merit compensation awarded for previous years beyond standard merit. In either case, if he/she was a full-time faculty member prior to the 1997-1998 academic year, \$1,188 will be added to his/her salary. This additional amount reflects savings from the 1996 change to a new health plan.

I. 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.

| | |
|---------------------|---------|
| Non-terminal degree | \$4,090 |
| Terminal degree | \$4,595 |

- The Administration will provide a list of adjunct salaries to the Faculty Salary Committee each semester.
- Adjunct faculty members who are not full-time faculty members and who teach only one section during a semester will receive a fifty percent discount on their vehicle registration fee for that semester.

J. The standard stipend for chairing a department shall be \$5,500 per year. The Senior Vice President for Academic Affairs will inform the Faculty Salary Committee in writing of any exceptions to this stipend amount.

K. The Faculty Salary Committee and the Administration recognize the need to examine faculty salary distributions for gender inequities, racial inequities, and other inequities covered by federal and state statute as well as inequities created by hiring new faculty and by market conditions. The redress of such inequities, by adding appropriate increments to faculty base salaries, shall be accomplished by a joint decision of the Faculty Salary Committee and the Administration's Compensation Committee while always protecting the privacy of any individuals involved. If consensus cannot be reached, the Administration cannot be prevented from redressing such inequities. In all cases, the Faculty Salary Committee will be informed in writing of the changes in salary.

L. By October 10th of each academic year, the Administration shall provide to the Faculty Salary Committee a list of all faculty salaries and benefits including rank, school, gender, date of hire and date of rank. The faculty salary committee agrees to maintain confidentiality. They agree not to share or discuss individual salaries with anyone outside the salary committee.

- M. “Benefit Plans Overview for Full-Time Faculty”, a summary of existing benefits, is incorporated in this document as Appendix 1.
- N. Both the FACHEX plan and the Tuition Exchange Program are coordinated through the Office of the Dean of Enrollment.
- O. The benefits and conditions stated in this Memo of Understanding shall be reflected in all 2013-2014 letters of appointment. The Faculty Salary Committee and the Administration agree to begin collegial discussions of the 2014-2015 Memo of Understanding by October 1, 2013. In the spirit of collegiality, and in furtherance of the President’s directive for a more collaborative system of governance, the Administration agrees to work with the Faculty Salary Committee to discuss salaries as well as any and all benefits; to provide all pertinent information; to receive recommendations concerning benefits and any substantive changes to benefits; to discuss salary and benefit changes; to be receptive to faculty participation in a cooperative process with the intent of arriving at a mutually agreed upon Memo of Understanding for 2014-2015.

Faculty Salary Committee:

For the Administration:

Debra M. Strauss, Chair

Mark C. Reed

Dennis Keenan

Robbin Crabtree

John Miecznikowski

Julie Dolan

Irene Mulvey

Paul Fitzgerald, S.J.

Marcie Patton

Tom Pellegrino

Date: _____

Approved by the General Faculty on May 16, 2013.