MEMORANDUM
Faculty Salary Committee
Fairfield University

TO: Academic Council
FROM: Irene Mulvey, Chair, Faculty Salary Committee
DATE: May 9, 2014
RE: Proposed revision to the JoR re standard/additional/extraordinary merit

When the language in the Journal of Record for distribution of funds under the merit pay system was approved, it was not anticipated that salary increases would be so close to, at, or even below the increase in CPI year after year. As a result, last year and this year when the salary increase was barely over the increase in CPI, the JoR language would have required that some of the very small salary increase go to additional or extraordinary merit even though raises for standard merit have not kept up with inflation over the years. Last year and this year, the General Faculty vote to approve the Memo of Understanding (and administration approval) overrode the Journal of Record language. In November, the FSC informed the AC that they would propose revisions to the language in order to ensure that additional and extraordinary merit pay are funded only when faculty receiving standard merit have been receiving raises that appropriately keep pace with inflation.

Journal of Record
Excerpt from Appendix 12: Guidelines for Faculty Annual Merit Review and Self-Evaluation

Current Language.
Distribution of Funds

If the increase in the salary pool is at or below the increase in the cost of living (CPI-U), the entire increase in the pool will go to Standard Merit. If the increase in the salary pool is above the increase in the cost of living, then the percent going to Standard Merit will be cost of living plus one quarter of the remainder of the increase in the pool. Standard Merit will be distributed to recipients as a percent of salary or of the mean of the rank, whichever is greater. Additional and Extraordinary Merit will be distributed in such a way that each faculty member who receives Extraordinary Merit in a given year will receive the same dollar amount, and it will be twice the amount awarded to each recipient of Additional Merit.

GF: 10/23/2009
Amended AC: 02/25/2013

Proposed Language with changes shown.
Distribution of Funds
If in any year, (1) if the percent increase in the salary pool is at or below the percent increase in the cost of living (CPI-U) plus 0.7, the entire increase in the pool will go to Standard Merit. If the increase in the salary pool is above the increase in the cost of living plus 0.7, then the average over the last five years of the difference in the increase in salary pool over the increase in CPI-U is calculated. If the average is not more than 0.5, then the entire increase in the pool for that year will go to standard merit. If this average is more than 0.5, then the percent going to Standard Merit will be cost of living plus one quarter of the remainder of the increase in the pool.

Standard Merit will be distributed to recipients as a percent of salary or of the mean of the rank, whichever is greater. Additional and Extraordinary Merit will be distributed in such a way that each faculty member who receives Extraordinary Merit in a given year will receive the same dollar amount, and it will be twice the amount awarded to each recipient of Additional Merit.

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Amended AC: 02/25/2013
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Rationale: The FSC thinks a five-year average salary increase of 0.5% over CPI for faculty qualifying for standard merit is the minimum acceptable figure. The figure of 0.7% was chosen because it is the amount required this year to make additional merit awards $500 and extraordinary merit awards $1,000 under the assumption that ¼ of the faculty qualify for extraordinary merit and ½ of the faculty qualify for additional. The number of faculty who will qualify for additional and extraordinary is a guesstimate on the part of the FSC as these categories have never been funded. The FSC thinks it is unreasonable to distribute merit pay if the amount awarded for additional merit is less than $500.