




## **SR-07-08-(29) 60 FECRAHC**

Recommends that the University President or designate annually report to the Faculty Senate, no later than its March meeting, compensation information by institution and by academic unit

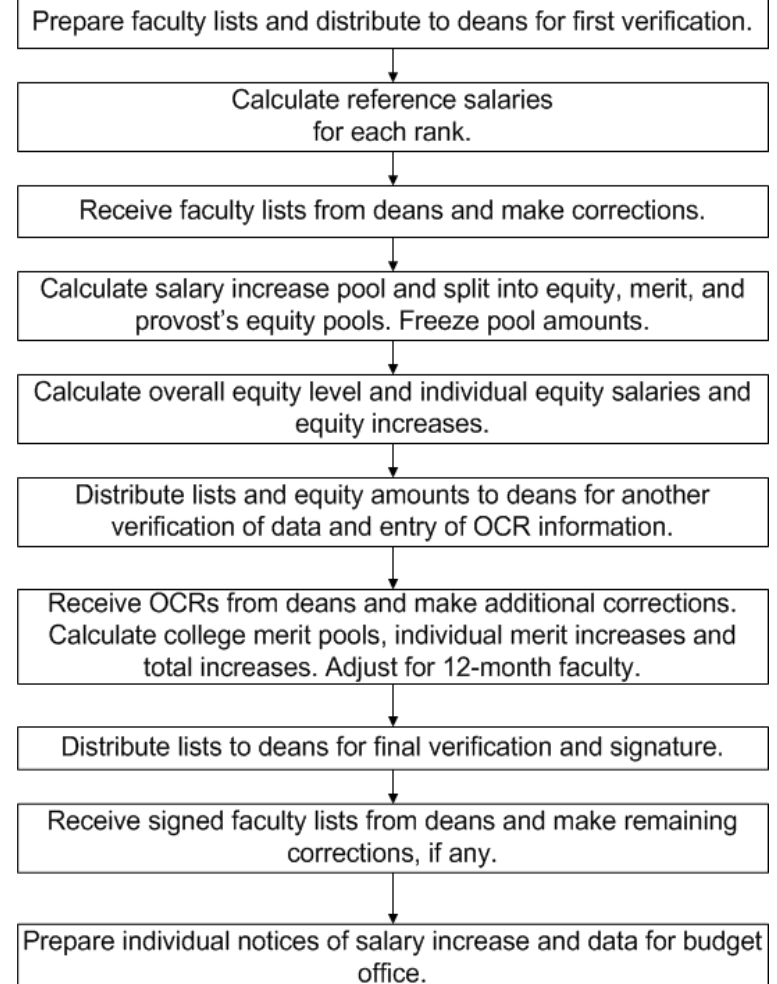
# Process Reminders

- 
- Previous Budget Planning Presentation to Faculty Senate  
<http://www.marshall.edu/president/Presentations/FacultySenate2009/FACULTY%20SENATE%20PRESENTATION%202009/aP%20Lite%20Flash/index.html>
  - Budgetary Principles:
    - ◆ Discretionary vs. Non-Discretionary Funding
    - ◆ **Base vs. One-Time Funding**
    - ◆ Fixed Costs vs. Variable Costs
    - ◆ Capital vs. Operational Funds
    - ◆ Funded Liabilities vs. Unfunded Liabilities

# Process Reminders

- Process of partitioning raise pool 51% (Merit):49% (Equity) determined by Faculty Senate (FS) and ratified by MUBOG;
- Question of Mixing Equity with Merit is Issue Owned by FS;
- Decisions by Colleges with respect to increasing merit proportion are owned by colleges;
- Raise Pool Distribution to Colleges based on practices endorsed by FS.

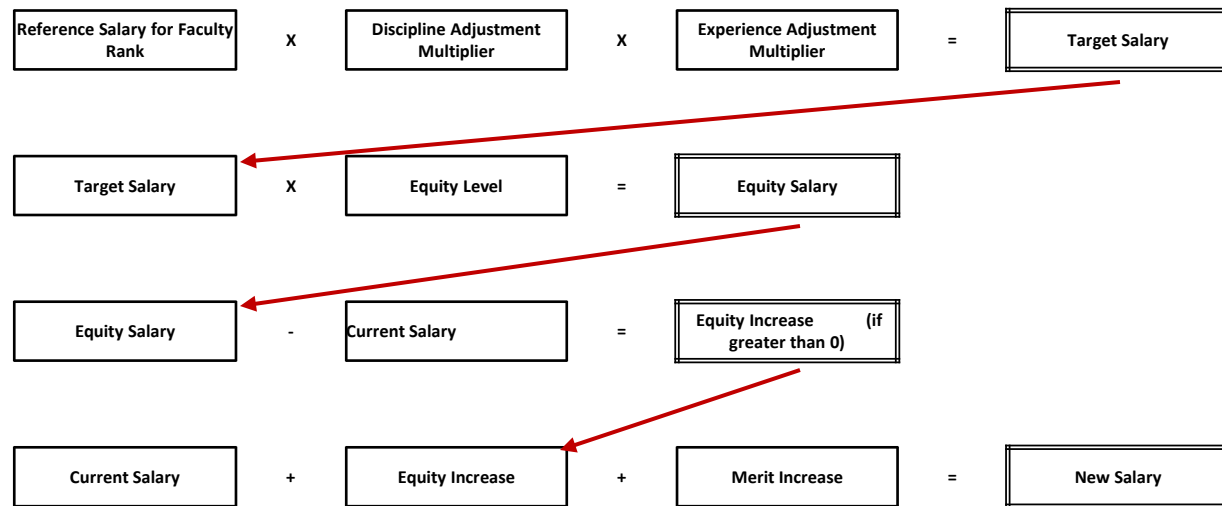
## Faculty Salary Increase Process Four-year tenured and tenure-track faculty



# Process Reminders

## Simplified Faculty Salary Increase Formula

Four -year tenured and tenure-track faculty



**Reference Salary** is the by-rank average of the AAUP median salary for master's institutions and the average of the SREB 4-year III category schools. Average salaries are moved forward by one year by multiplying by the percent increase of the AAUP average from the previous year

**Discipline Adjustment Multiplier** is the ratio of a discipline's salary (by rank) to the overall salary for that rank across all disciplines. Data are from CUPA-HR.

**Experience Adjustment Multiplier** is an adjustment for experience in rank

**Target Salary** is the salary (based on rank, experience in rank, and discipline) for each individual that is assumed to be the 100% salary for that individual

**Equity Level** is the minimum % that all salaries are increased to. It's set such that all of the equity pool is used to increase salaries to this percentage

**Equity Salary** is the salary for each individual which will be the minimum salary for that individual (unless the college has opted out of the process).

**Current Salary** is the current base salary for the individual. It's normalized to 9 months for 12-month faculty

**Equity Increase** is the amount the individual will receive from the equity pool (unless the college has opted out of the process)

**Merit Increase** is the amount for that individual designated for merit. The college's pool is a *pro rata* distribution of the university merit pool based on headcount. The individual's merit increase is a proportional share of the college's pool based on the OCR score from the annual report. Colleges that have opted out of the equity process may have a different merit distribution formula.

**New Salary** is the sum of the current salary, the equity increase, and the merit increase. It is adjusted back to 12-month for those faculty

# Process Reminders



- (Total Raise Pool \$\$\$) = (Promotion \$\$) + (Raise Pool \$\$ Available for Equity and Merit)
- For FY 2009:
  - ✓ Total Pre-Adjustment Salaries of 404 Eligible Faculty Members = \$24,355,446
  - ✓ Total Faculty Raise Pool \$\$\$ = \$884,162
  - ✓ Promotion \$\$ Increments = \$136,067
  - ✓ Raise Pool Available for Equity (~49%) + Merit (~51%) = \$748,095
    - Equity Raise Pool Distributed = \$317,826
    - Merit Raise Distributed = \$412,144
    - Provost Equity Pool = \$ 18,125
    - SUM = \$748,095

# Questions and Responses



1. *Explanation of how the salary increase pool was determined by the MUBOG?*
  - ✓ WV Legislature provided a 3.0% pool of new BASE appropriations in FY 2009 for salary increases with an additional amount for benefits linked to salary increases;
  - ✓ MUBOG approved FY 2009 budget provided for **3% salary raise pool** for faculty, classified and non-classified employees paid from both appropriated and non-appropriated sources and the additional amount necessary to fund benefits;
  - ✓ For non-MUSOM tenure and non-tenure-track faculty, the 3.0% raise pool amounted to **~\$884K** for salary increases and **~\$132K** for benefits
    - For non-MUSOM tenured and tenure-track faculty, the 3.0% raise pool amounted to ~\$748K for increases and ~\$112K for benefits;
    - The FY2009 budget also provided for \$136K for non-MUSOM faculty promotions and ~\$20K for their associated benefits.

# Questions and Responses



2. *Total amount of dollars distributed for faculty promotions?*
  - ✓ **The cost of faculty promotions for non-MUSOM faculty was \$136,067.**
3. *University-wide percentage of target salary for equity?*
  - ✓ **Equity level was set at 82.03% and was determined by the available funds in the equity portion of the total faculty salary increase pool made available by the WV Legislature for FY 2009**
4. *Number of faculty above the university-wide percentage of target salary for equity?*
  - ✓ **152 out of 404 participating in the process**

# Questions and Responses



5. *Total amount of equity dollars distributed?*

- ✓ **\$317,826 was distributed directly to individual faculty as equity adjustments. An additional \$39,723 in equity funding was distributed as merit to colleges that opted for an alternate plan, bringing total to \$357,550;**

6. *Equity distribution by academic rank?*

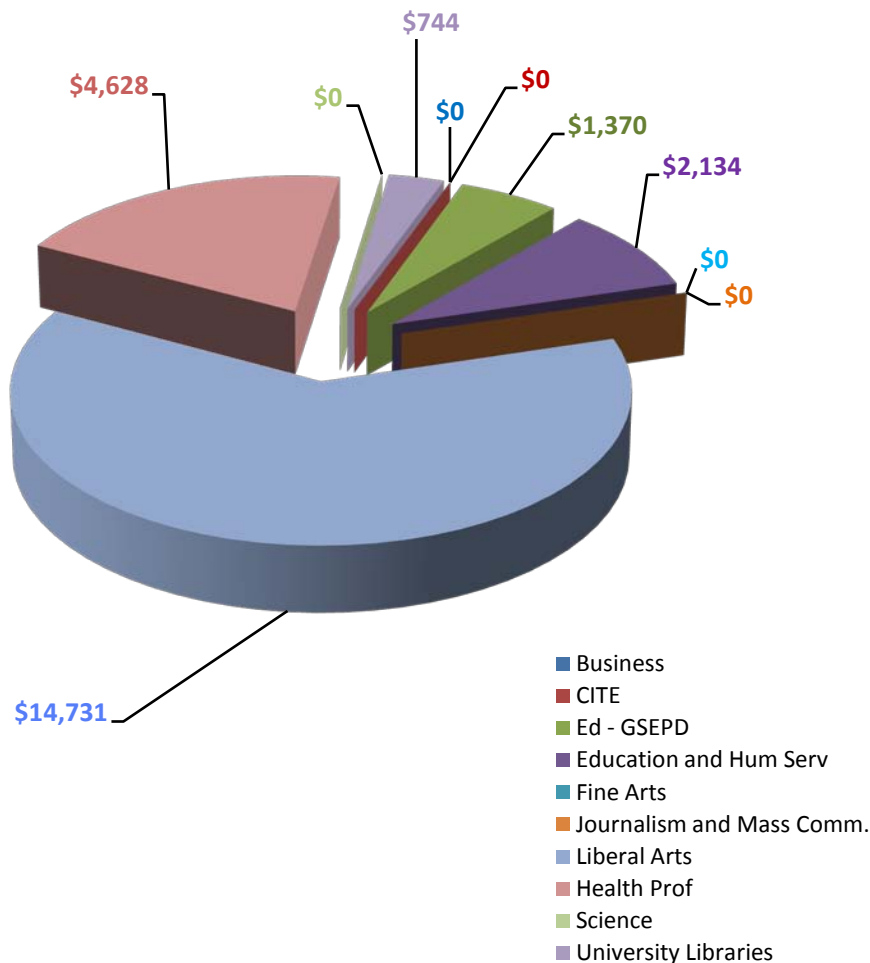
- ✓ **Professor: \$197,895**
- ✓ **Associate Professor: \$ 96,323**
- ✓ **Assistant Professor: \$ 23,608**
- Total: \$317,826**

# Total Equity (\$) Distribution by Rank and College

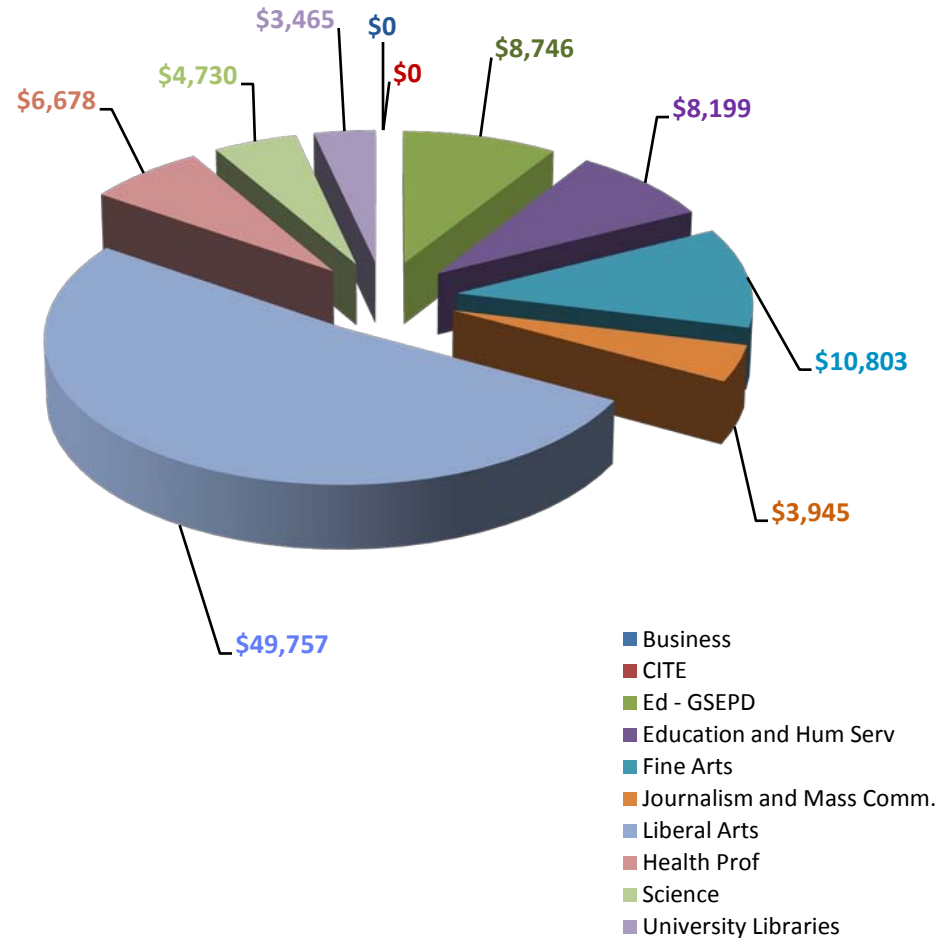


10/01/08

## Assistant Professor



## Associate Professor



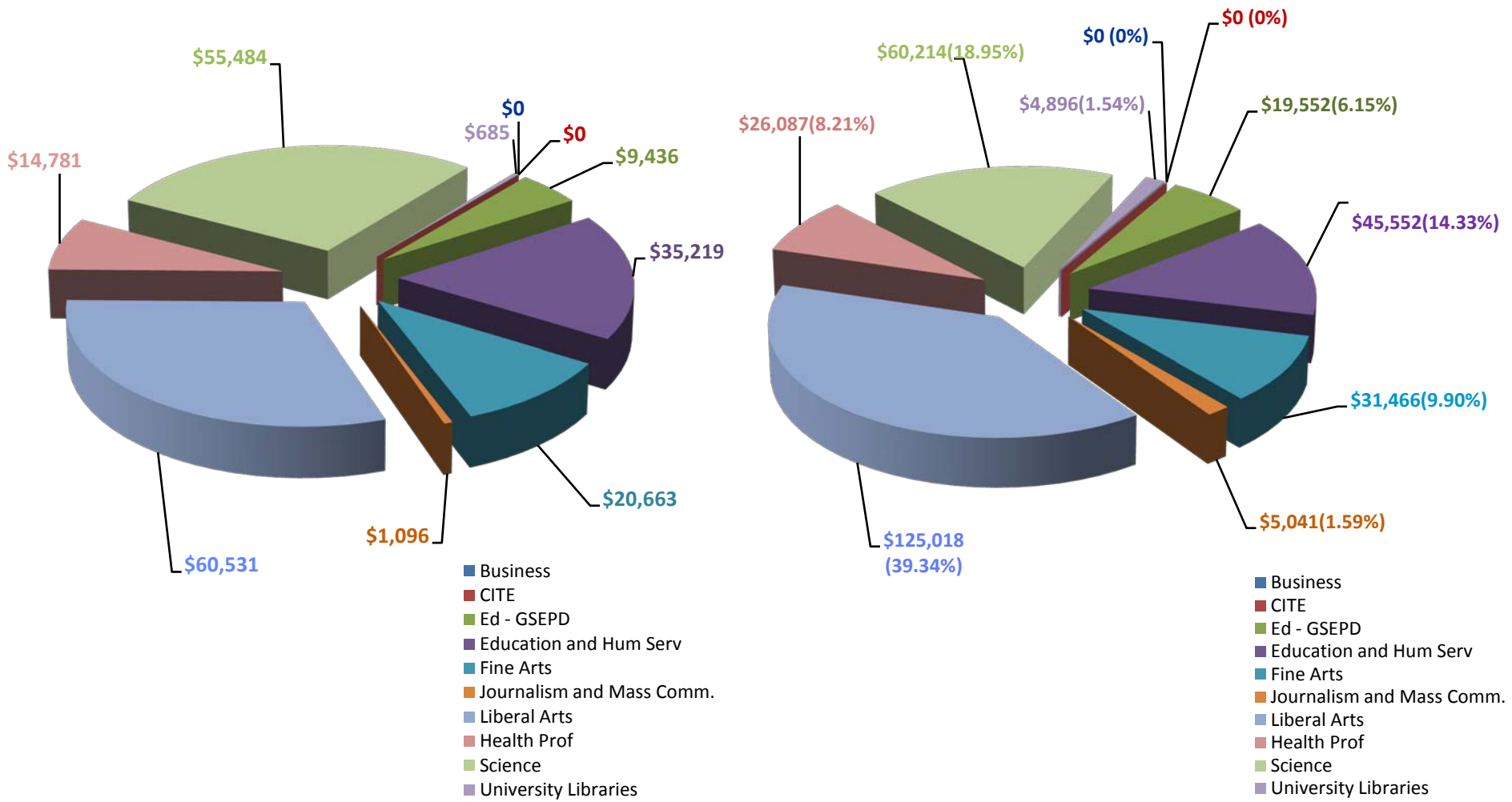
# Total Equity (\$) Distribution by Rank and College

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## Professor

**TOTAL = \$317,826**



# Questions and Responses



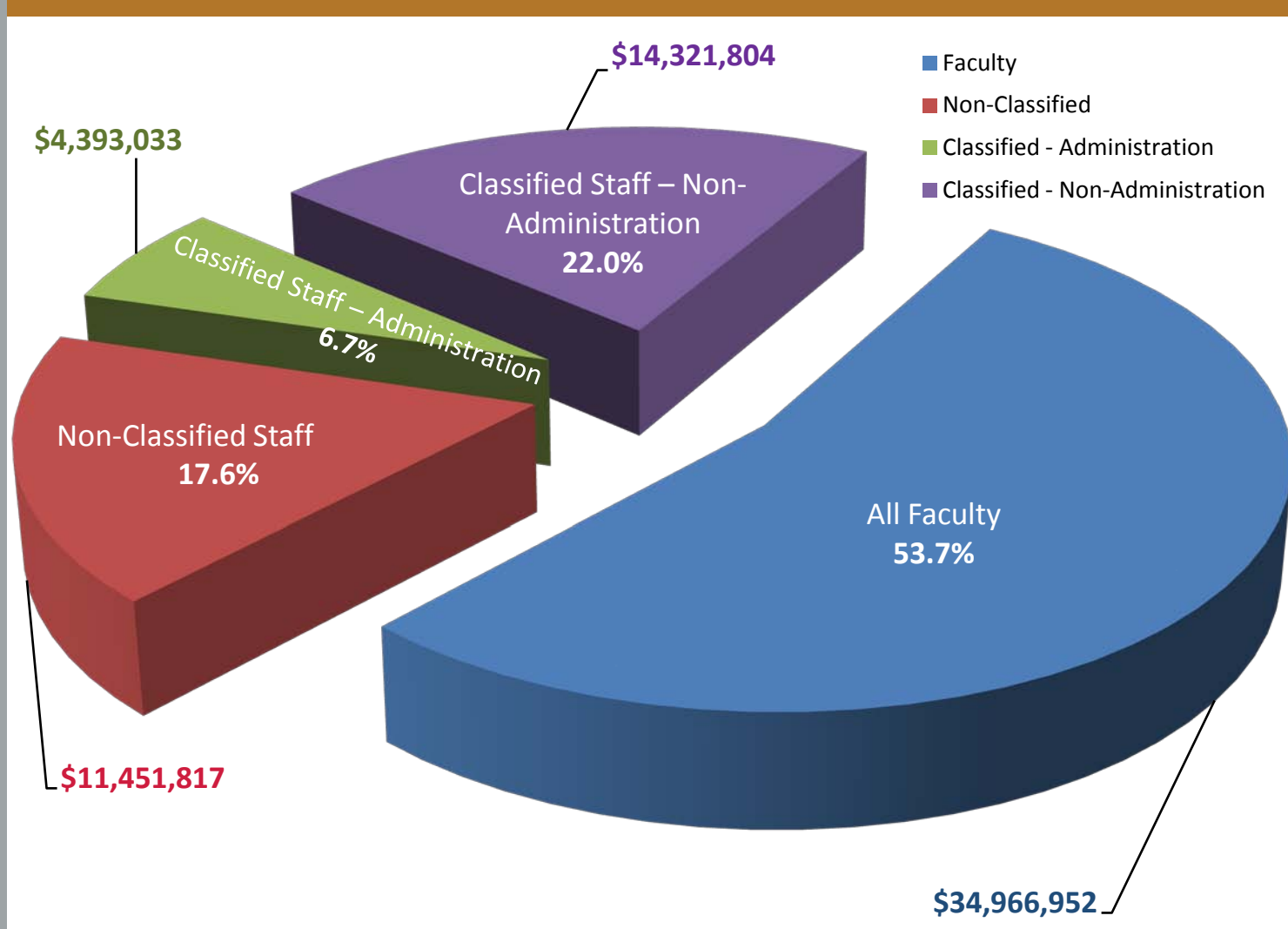
7. *Total amount of 5% reserve distributed and how much, if any, was returned to next year's equity pool?*
  - ✓ **The 5% reserve for the provost totaled \$18,125. To date, none of the 5% reserve for the provost has been distributed.**
  
8. How much equity money is needed to reach 100% of market target?
  - ✓ **Based on the faculty demographics and market data used for the October 1, 2008 salary increases, an additional \$3.89 million in BASE funding is required to raise all faculty salaries to 100% of the target salary (based on discipline, rank, and experience).**

# Questions and Responses



9. *Total amount of merit dollars distributed?*
  - ✓ **\$412,144 was distributed for merit. The original merit pool was \$372,421, and an additional \$39,723 was redistributed for merit purposes to colleges who have opted for an alternate plan**
  
10. *Percentage of the University's operating budget dedicated to all salaries and all benefits; broken down by administration, faculty, and staff?*

# FY 2009 Budgeted Salary Totals for University Positions By Category



# What Else Is NOT Included

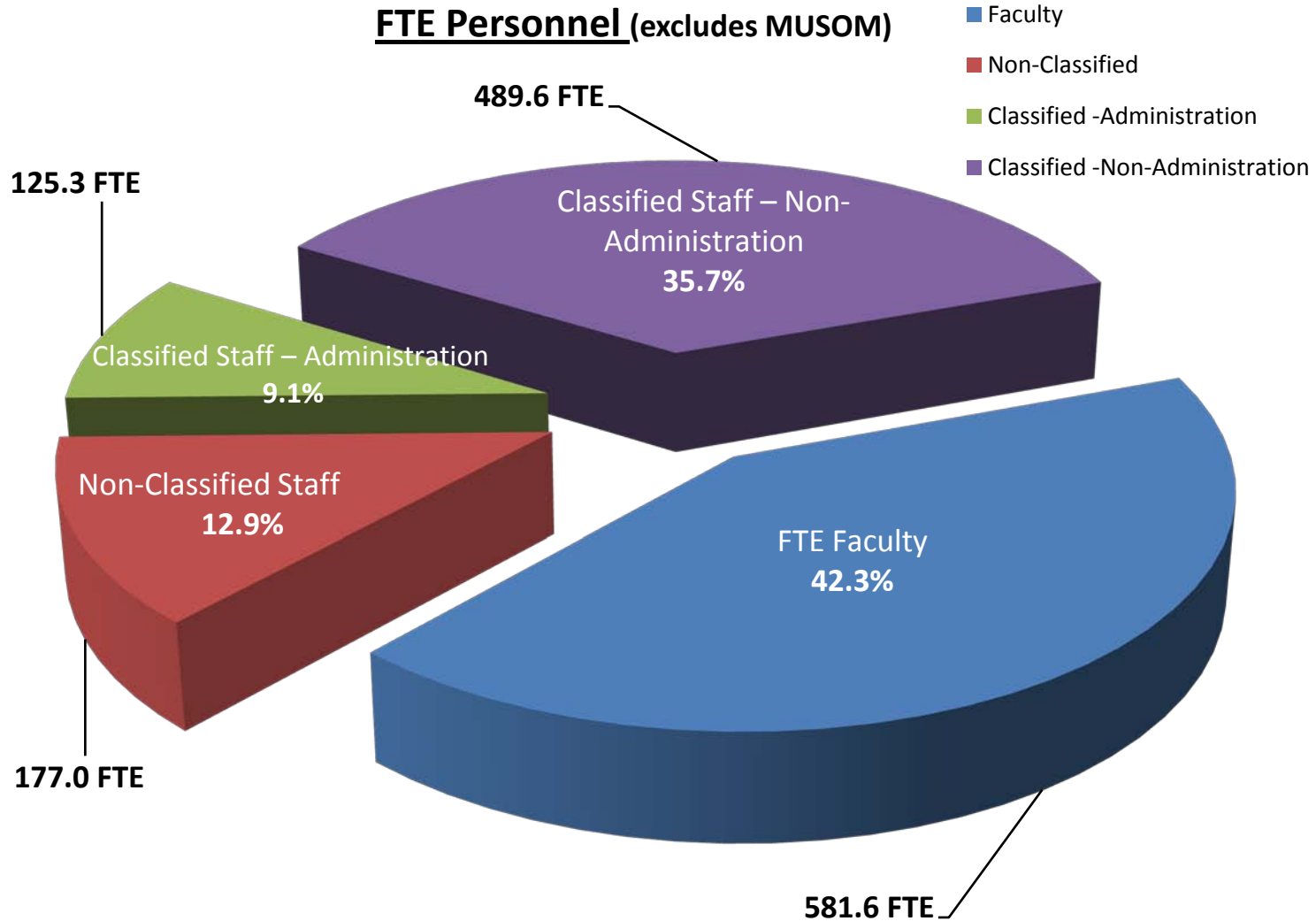


- Supplemental Faculty Pay (*e.g.*, Overload, Summer, *e*-course, *etc.*) – exceeds **\$5-million** annually
- Total AEI distributed to 404 faculty included in FY 2009 salary increase process was **\$348,828**
- Total AEI for all non-MUSOM faculty for the current year  $\cong$  **\$401,208**
- IF AEI is factored into base salary, cost to fund 100% of target salary for the 404 faculty from 10/1/09 increase = additional **\$3.56 million** vs. **\$3.89 million** stated earlier



Questions?

# Request: Provide number of personnel by category: FTE



# Request: Provide number of personnel by category: Headcount

