

**BC FACULTY COMPENSATION COMMITTEE (FCC)
REPORT TO FACULTY FOR THE 2007 CALENDAR YEAR**

January 2008

The FCC, consisting of university-wide elected faculty members, typically meets monthly with the Administration and as FCC.

The FCC is YOUR Committee, representing all faculty interests. Please let us have your ideas, concerns, and proposals on a regular basis so that we can represent you more accurately and democratically (FCC@bc.edu).

This report focuses on new, ongoing developments since our last report for 2006. It includes faculty compensation, housing, financial planning for faculty, and selected brief issues.

I. FACULTY COMPENSATION RECOMMENDATIONS

A. The Budget Committee Process

For the last 25 years or so, the FCC has presented its annual compensation recommendations to the BC Budget Committee responsible for establishing annual budgets for approval by the administration and the Board of Trustees. The budget-making process has changed this year and a new plan is under consideration. In the transition period, the FCC was not invited to present its recommendations for 2008 to the Budget Committee, and, instead, submitted its compensation analysis and recommendations in its fall meeting with the Administration.

B. The Size of Annual Faculty Salary Pools

Traditionally, BC's de facto approach in recent decades regarding the size of the annual faculty salary pool has been to increase it by one percent above the projected rate of inflation. Also traditionally, the FCC has supported the view that this approach is at best problematic in several respects, including:

- BC's deteriorating salary level standing among AAUP Category One universities (see Table below)
- It does not consider the higher CPI in the Boston SMSA (Standard Metropolitan Statistical Area)
- It is inadequate for rewarding outstanding performance of BC faculty
- It is not directly related to other BC budget increases (see Graph below)

Table:

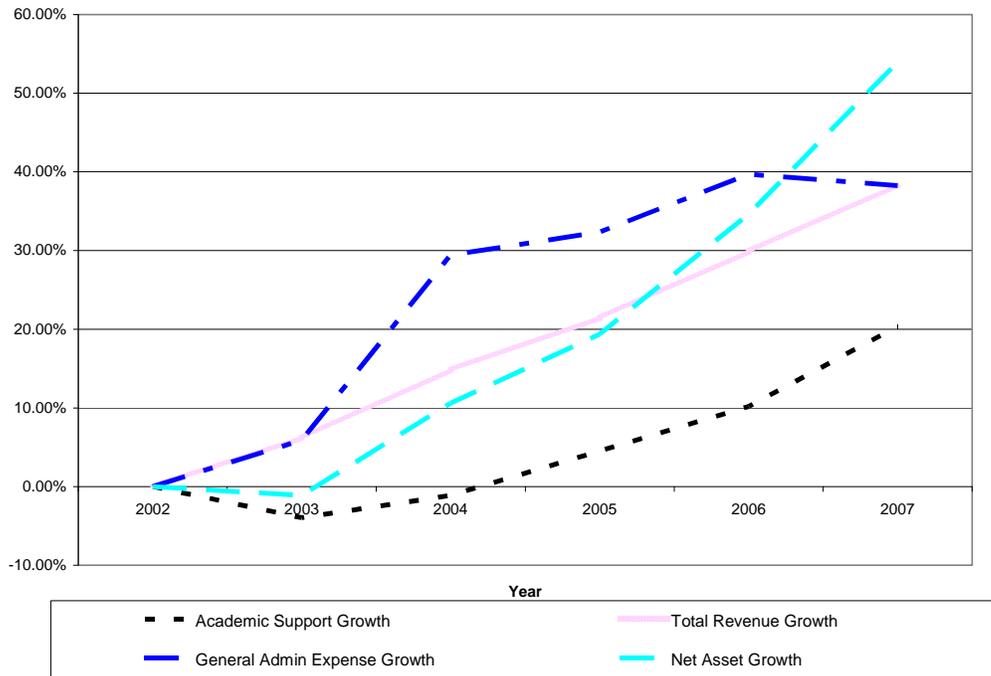
Comparison of 2006-2007 Average BC Salary and Compensation to AAUP Percentiles		
Academic Rank	Salary Percentile	Compensation Percentile
Full	89.7	89.3
Associate	85.5	89.3
Assistant	87.4	87.4
Instructor	82.9	79.7

Source: AAUP and BC

Although the Administration's intention with regard to the size of the salary pool is to target BC salary and fringe benefits levels above the AAUP 90th percentile, the Table indicates that typical annual salary pool increases of 1% above projected inflation are inadequate. In fact, for the first time in recent memory, all BC academic ranks now fall below the AAUP 90th percentile. Moreover, these data overstate BC's compensation (salary + fringe benefits) since Boston has one of the highest cost of living in the country. We have asked the Administration to recalculate and readjust the above AAUP percentile standing (salary and fringe benefits) by including the Boston CPI.

Graph:

BC Academic Support Growth Rates Relative to 2002, Compared to other BC Expenses



Source: AAUP and BC Website

The above graph shows the growth rate in academic support, relative to other expenses and BC's net asset value. As the graph shows, the importance placed on academic support is relatively lower than that of other university expenses. Since 2002, growth in academic support has lagged behind general administrative growth and total revenue growth by nearly 18%, and net asset value growth by over 33%.

FCC Recommendation:

Consequently, the FCC submitted again, as it did for several years, its basic recommendation that BC should discontinue its traditional approach and establish instead *a clear and effective faculty compensation policy (including both the size of the annual faculty salary pool, and its distribution to the faculty)* which has at least three dimensions:

1. Adequate BC salary in AAUP Category One universities: a level for all ranks not less than the 90th percentile
2. Appropriate adjustments for the cost of living in Boston: based on either AAUP or federal CPI estimates
3. Appropriate adjustments: based on annual BC budget percentage increase, to ensure that faculty salary investments do not fall behind other BC budget increases/commitments

Action Regarding the BC FY2008-9 Budget Submitted to the Board of Trustees:

The Administration has recommended to the Board of Trustees an increment salary pool of 3.5% plus .5% for promotions, for a total of a 4% salary pool. As the projected rate of inflation was set by the Budget Committee at 3%, this means that again, the Administration has recommended a 1% increase above the rate of inflation. The Board of Trustees will review the proposal at the February 29, 2008 meeting.

Action Regarding an Effective BC Faculty Salary and Compensation Policy:

After discussing this issue with the Administration for at least three years, it has been suggested now by the Provost that the FCC should submit a specific proposal regarding a BC faculty salary policy. Although the FCC is not familiar with many aspects/items of BC's budget nor its processes or key players and commitments, it has accepted the Provost's suggestion. At this point, the FCC visualizes an inclusive BC faculty salary and fringe benefits policy which secures the above three components. We also recommend that the results of this newly developed policy be evaluated annually. Your prompt inputs and recommendations will be greatly appreciated.

C. The Distribution of Annual Salary Increment Pools

An effective BC policy is also required regarding the distribution of the salary pool. Currently, there is a wide variety of principles/approaches on the basis of which deans and/or chairpersons distribute annual increment pools. Some of these principles/approaches are overt, some less so; some faculty are aware and some less aware of the distribution rules in their unit; some units distribute increments in the form of percentages, while others use specific figures; faculty performance categories (“Satisfactory”, “Outstanding”, “Merit”, “Unsatisfactory”, etc.) and measurement scales vary from unit to unit, for example, when some units assess “Satisfactory” performance for most faculty in the unit, typically there are less funds for awarding “excellent” performance. The A&S departments have explored distribution principles for establishing a common frame of reference in its units, while others have not. Typically, various deans and the Provost hold back part of the increment pool for “special situations”.

FCC Recommendation:

In recent years, FCC has asked BC for actual annual salary pool distribution data and has recommended that BC establish a common frame of reference so that BC faculty is exposed to common principles, transcending their association with a specific BC unit.

Action:

In response to this recommendation the provost suggested this year that FCC should draft a specific policy for his consideration. Although BC salary pool distribution data is unavailable to us, the FCC decided to formulate a specific policy for discussion with the Administration. To this end, please, share with us your experience and specific suggestions to enrich FCC’s analysis and deliberations.

II. FCC WEB SITE

The FCC web site has been converted to Collage. Please review it at <http://webwork.bc.edu:8082/sites/fcc/home.html>. We have also selected an image for the left navigation of the site.

III. FACULTY HOUSING ASSISTANCE

No developments since our last report. FCC suggested again that BC faculty should have some housing assistance as soon as possible.

IV. PART TIME FACULTY TEACHING FULL TIME COURSES:

During a recent meeting with the Administration, the FCC reported that several part time faculty members are teaching full time course loads (3 courses each semester), some for 5-10 years without fringe benefits. The FCC recommended that future BC written contracts of part time faculty should stipulate that such appointees are restricted to 2 courses per year for a limited period of time determined by the Administration and department heads. If departments currently need to have part time faculty teaching full time course loads on a regular basis, BC should expand the size of its faculty.

Action:

The Administration is considering the recommendation.

Respectfully submitted by the FCC elected faculty,

John Houchin (Theater)

Demetrius Iatridis (GSSW), Chair

Thomas Kohler (Law)

Rita Olivieri (SON)

Jeffrey Pontiff (SOM)

Elizabeth Sparks (SOE)

NB: Two new members will be elected by the faculty in the current committee elections.