Faculty Salary Study

SVPs and Executive Committee of AAUP
March 18, 2019
Objectives

- Review Segal Waters Faculty Salary Study
- Introduce compensation definition
- Present results of the survey and discuss the College’s market position
- Propose timeline and communication plan
Compensation Definitions

- **Single Pay Range**: A pay structure that defines only the minimum and maximum of the entire group.

- **Comparison ratio index**: The relative competitiveness of internal pay rates to external pay range midpoints.

- **Market-competitive pay systems**: Represents the College’s compensation policies that fit the imperatives of competitive advantage to reflect the market and to attract, retain and motivate faculty.
## 22 Peer Institutions

<table>
<thead>
<tr>
<th>Institution</th>
<th>City</th>
<th>State</th>
<th>Union Represented?</th>
<th>Institution</th>
<th>City</th>
<th>State</th>
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</tr>
</thead>
<tbody>
<tr>
<td>American River College</td>
<td>Sacramento</td>
<td>CA</td>
<td>Yes</td>
<td>Macomb CC</td>
<td>Warren</td>
<td>MI</td>
<td>Yes</td>
</tr>
<tr>
<td>Chaffey College</td>
<td>Rancho Cucamonga</td>
<td>CA</td>
<td>Yes</td>
<td>Mt San Antonio College</td>
<td>Walnut</td>
<td>CA</td>
<td>Yes</td>
</tr>
<tr>
<td>College of DuPage</td>
<td>Glen Ellyn</td>
<td>IL</td>
<td>Yes</td>
<td>Northern Virginia CC</td>
<td>Annandale</td>
<td>VA</td>
<td>No</td>
</tr>
<tr>
<td>College of the Canyons</td>
<td>Santa Clarita</td>
<td>CA</td>
<td>Yes</td>
<td>Orange Coast College</td>
<td>Costa Mesa</td>
<td>CA</td>
<td>Yes</td>
</tr>
<tr>
<td>Collin County CC</td>
<td>McKinney</td>
<td>TX</td>
<td>No</td>
<td>Palomar College</td>
<td>San Marcos</td>
<td>CA</td>
<td>Yes</td>
</tr>
<tr>
<td>De Anza College</td>
<td>Cupertino</td>
<td>CA</td>
<td>Yes</td>
<td>Pasadena City College</td>
<td>Pasadena</td>
<td>CA</td>
<td>Yes</td>
</tr>
<tr>
<td>Des Moines Area CC</td>
<td>Ankeny</td>
<td>IA</td>
<td>Yes</td>
<td>Salt Lake CC</td>
<td>Salt Lake City</td>
<td>UT</td>
<td>Yes</td>
</tr>
<tr>
<td>East Los Angeles College</td>
<td>Monterey Park</td>
<td>CA</td>
<td>Yes</td>
<td>San Jacinto CC</td>
<td>Pasadena</td>
<td>TX</td>
<td>Yes</td>
</tr>
<tr>
<td>El Camino CC District</td>
<td>Torrance</td>
<td>CA</td>
<td>Yes</td>
<td>Santa Rosa Junior College</td>
<td>Santa Rosa</td>
<td>CA</td>
<td>Yes</td>
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<tr>
<td>Fullerton College</td>
<td>Fullerton</td>
<td>CA</td>
<td>Yes</td>
<td>Suffolk County CC</td>
<td>Selden</td>
<td>NY</td>
<td>Yes</td>
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<tr>
<td>Lone Star College System</td>
<td>The Woodlands</td>
<td>TX</td>
<td>No</td>
<td>Tidewater CC</td>
<td>Norfolk</td>
<td>VA</td>
<td>No</td>
</tr>
</tbody>
</table>
## 5 Local Area Two-Year Institutions

<table>
<thead>
<tr>
<th>Institution</th>
<th>City</th>
<th>State</th>
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</thead>
<tbody>
<tr>
<td>1 CC of Baltimore County</td>
<td>Catonsville</td>
<td>MD</td>
</tr>
<tr>
<td>2 Frederick Community College</td>
<td>Frederick</td>
<td>MD</td>
</tr>
<tr>
<td>3 Howard Community College</td>
<td>Columbia</td>
<td>MD</td>
</tr>
<tr>
<td>4 Northern Virginia CC</td>
<td>Annandale</td>
<td>VA</td>
</tr>
<tr>
<td>5 Prince George's County CC</td>
<td>Largo</td>
<td>MD</td>
</tr>
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</table>
Market Comparison of 2018-19 Faculty Salary Scale

- Montgomery College CBA Salary Scale: $111,434, $59,432
- Montgomery College Lowest and Highest Actual Salaries: $113,034, $59,853
- 22 Peer Institutions Nationwide: $118,824, $57,349
- 5 Local Area Two-Year Institutions: $108,737, $54,580

22 peer institutions include public 2-year colleges with enrollment of 20,000 or more in locations categorized as midsized suburban, large suburban, small city, or midsized city. Data have been geographically adjusted.
### Market Comparisons of 2018-19 Salary Scales

#### 22 Peer Institutions Nationwide

<table>
<thead>
<tr>
<th></th>
<th>Minimum</th>
<th>Maximum</th>
<th>Average</th>
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<tbody>
<tr>
<td>Montgomery College (CBA)</td>
<td>$59,432</td>
<td>$111,434</td>
<td>$89,727</td>
</tr>
<tr>
<td>Market Average</td>
<td>$57,349</td>
<td>$118,824</td>
<td>$88,710</td>
</tr>
<tr>
<td>MC as % of the Market Average</td>
<td>104%</td>
<td>94%</td>
<td>101%</td>
</tr>
<tr>
<td>Dollar Difference</td>
<td>$2,083</td>
<td>(7,390)</td>
<td>$1,017</td>
</tr>
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#### 5 Local Area Two-Year Institutions

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<td>$108,737</td>
<td>$81,659</td>
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<td>109%</td>
<td>102%</td>
<td>110%</td>
</tr>
<tr>
<td>Dollar Difference</td>
<td>$4,852</td>
<td>$2,697</td>
<td>$8,068</td>
</tr>
</tbody>
</table>
Full-Time Faculty Salaries

Average Faculty Salaries by Years of Service

Years of Service

- < 5 years
- 5 < 10 years
- 10 < 15 years
- 15 < 20 years
- 20 < 25 years
- 25 < 30 years
- 30+ years

Average Faculty Salaries

- $78,397
- $81,732
- $85,134
- $98,426
- $105,019
- $110,749
- $111,455

Reflects data for 522 AAUP members at Montgomery College as of November 1, 2018
Full-Time Faculty Salaries

Distribution of Faculty by Salary and Years of Service

Reflects data for 522 AAUP members at Montgomery College as of November 1, 2018
Full-Time Faculty Salaries

Average Faculty Salaries by Rank

Reflects data for 522 AAUP members at Montgomery College as of November 1, 2018

Instructor: 5 faculty members, average salary $72,602
Assistant Professor: 61 faculty members, average salary $75,123
Associate Professor: 138 faculty members, average salary $80,634
Professor: 318 faculty members, average salary $97,323
# Faculty Salary Study 2018
22 Peer Institutions Nationwide
(Subject to Ratification by BOT)

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<td>$57,349</td>
<td>$118,842</td>
<td>$88,710</td>
</tr>
<tr>
<td>Difference</td>
<td>$2,083</td>
<td>-$7,408</td>
<td>-$3,277</td>
</tr>
<tr>
<td>Montgomery College Average</td>
<td>$72,879 new hire salary</td>
<td>$111,434 (actual)</td>
<td>$89,727 (average faculty salary)</td>
</tr>
<tr>
<td>2.5% increase to Salary Scale FY20</td>
<td>$60,917 (1)</td>
<td>$114,219(2)</td>
<td>$87,568(3)</td>
</tr>
</tbody>
</table>

1. The current average new hire salary is $72,879. It exceeds the projected minimum, $60,917 by $11,962. No adjustment necessary.

2. The current maximum is $111,434. The FY20 maximum is $114,219. Source: Segal Waters Consulting 2018

3. The current average salary is $89,727. It exceeds the projected midpoint of $87,568 by $2,159. No adjustment necessary.
Faculty Study Comparison Ratio 2018
22 Peer Institutions Nationwide Post Adjustment

<p>| | | |</p>
<table>
<thead>
<tr>
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</tr>
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<tr>
<td>MC Average</td>
<td>$89,727</td>
<td></td>
</tr>
<tr>
<td>Market Average</td>
<td>$88,710</td>
<td>= 1.01</td>
</tr>
</tbody>
</table>

*Comparison Ratio (CR): the comparison of internal midpoint pay rates to external midpoint pay rates.

- CR = 1.00 is the ideal (for market match)
- CR > 1.10 is quite high
- CR < .90 is quite low

*Source: http://leeds-faculty.colorado.edu/Rosse/Courses/4030/PowerPoint/Paystructure.ppt
Faculty Study Comparison Ratio 2018
5 Local Institutions Post Adjustment

Local Community Colleges

<table>
<thead>
<tr>
<th></th>
<th>MC Average</th>
<th>Market Average</th>
<th>Comparison Ratio</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>$89,727</td>
<td>$81,659</td>
<td>1.10</td>
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Comparison Ratio by Salary Grade for Administrators, Bargaining Staff and Non-Bargaining Staff

Administrator Comparison Ratio

\[
\begin{align*}
\text{MC Average} & \quad $151,493 \\
\text{Market Average} & \quad $144,880
\end{align*}
\]

\[= \frac{151,493}{144,880} = 1.05\]

Bargaining Staff Comparison Ratio

\[
\begin{align*}
\text{MC Average} & \quad $62,210 \\
\text{Market Average} & \quad $60,618
\end{align*}
\]

\[= \frac{62,210}{60,618} = 1.03\]

Non-Bargaining Staff Comparison Ratio

\[
\begin{align*}
\text{MC Average} & \quad $87,409 \\
\text{Market Average} & \quad $87,023
\end{align*}
\]

\[= \frac{87,409}{87,023} = 1.00\]
Faculty Compensation Takeaways
Contingent on BOT Ratification FY20

• Communicate Information delivered via public forums with faculty, staff and any other interested member(s) of the College community followed by written communication.

• MC has a salary leadership position in the local market & matches the national market average.

• No salaries will be reduced.

• Scale max increased to $114,219 permits ALL 78 faculty at the current max ($111,434.00) to be awarded a salary increase.

• The College’s average faculty salary is slightly above the national average, which drives student success and rewards faculty excellence.
Faculty Compensation Timeline

**February - March 2019**
- Faculty ratified
- Meet with union leadership (3/18)
- Board of Trustees (subject to ratification by BOT 3/18)

**April - May 2019**
- Send collegewide email
- Solicit employee comments to HR mailbox
- Post to HRSTM website
- Hold collegewide compensation forums

**June - July 2019**
- Implement faculty salary schedule