

# Faculty Salary Study

SVPs and Executive Committee of AAUP  
March 18, 2019

***CONFIDENTIAL***

# 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.

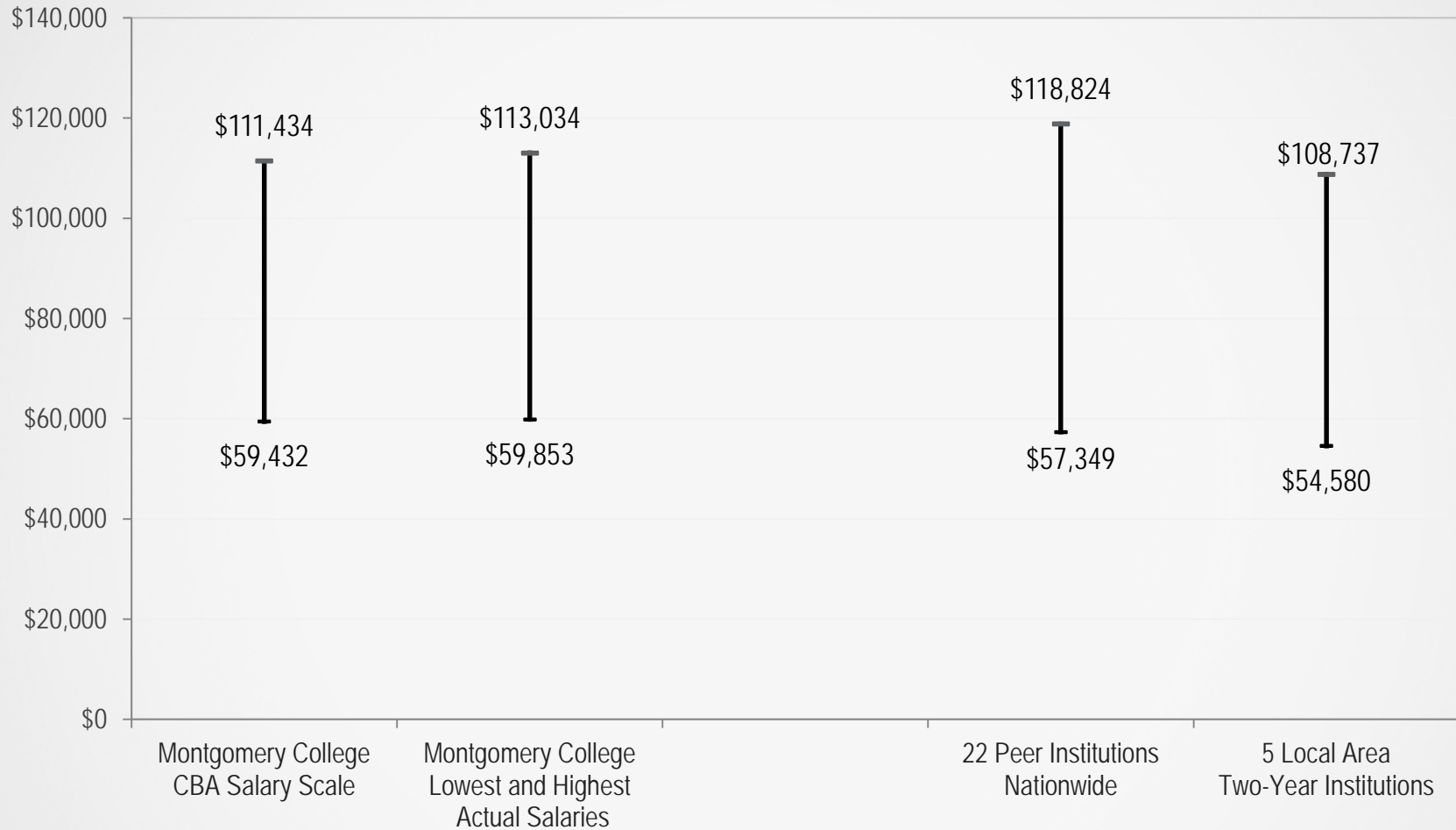
# 22 Peer Institutions

|    | Institution              | City             | State | Union Represented? |    | Institution               | City           | State | Union Represented? |
|----|--------------------------|------------------|-------|--------------------|----|---------------------------|----------------|-------|--------------------|
| 1  | American River College   | Sacramento       | CA    | Yes                | 12 | Macomb CC                 | Warren         | MI    | Yes                |
| 2  | Chaffey College          | Rancho Cucamonga | CA    | Yes                | 13 | Mt San Antonio College    | Walnut         | CA    | Yes                |
| 3  | College of DuPage        | Glen Ellyn       | IL    | Yes                | 14 | Northern Virginia CC      | Annandale      | VA    | No                 |
| 4  | College of the Canyons   | Santa Clarita    | CA    | Yes                | 15 | Orange Coast College      | Costa Mesa     | CA    | Yes                |
| 5  | Collin County CC         | McKinney         | TX    | No                 | 16 | Palomar College           | San Marcos     | CA    | Yes                |
| 6  | De Anza College          | Cupertino        | CA    | Yes                | 17 | Pasadena City College     | Pasadena       | CA    | Yes                |
| 7  | Des Moines Area CC       | Ankeny           | IA    | Yes                | 18 | Salt Lake CC              | Salt Lake City | UT    | Yes                |
| 8  | East Los Angeles College | Monterey Park    | CA    | Yes                | 19 | San Jacinto CC            | Pasadena       | TX    | Yes                |
| 9  | El Camino CC District    | Torrance         | CA    | Yes                | 20 | Santa Rosa Junior College | Santa Rosa     | CA    | Yes                |
| 10 | Fullerton College        | Fullerton        | CA    | Yes                | 21 | Suffolk County CC         | Selden         | NY    | Yes                |
| 11 | Lone Star College System | The Woodlands    | TX    | No                 | 22 | Tidewater CC              | Norfolk        | VA    | No                 |

# 5 Local Area Two-Year Institutions

|   | Institution                 | City        | State |
|---|-----------------------------|-------------|-------|
| 1 | CC of Baltimore County      | Catonsville | MD    |
| 2 | Frederick Community College | Frederick   | MD    |
| 3 | Howard Community College    | Columbia    | MD    |
| 4 | Northern Virginia CC        | Annandale   | VA    |
| 5 | Prince George's County CC   | Largo       | MD    |

# Market Comparison of 2018-19 Faculty Salary Scale



22 peer institutions include public 2-year colleges with enrollment of 20,000 or more in locations categorized as mid-sized suburban, large suburban, small city, or mid-sized city. Data have been geographically adjusted.

# Market Comparisons of 2018-19 Salary Scales

## 22 Peer Institutions Nationwide

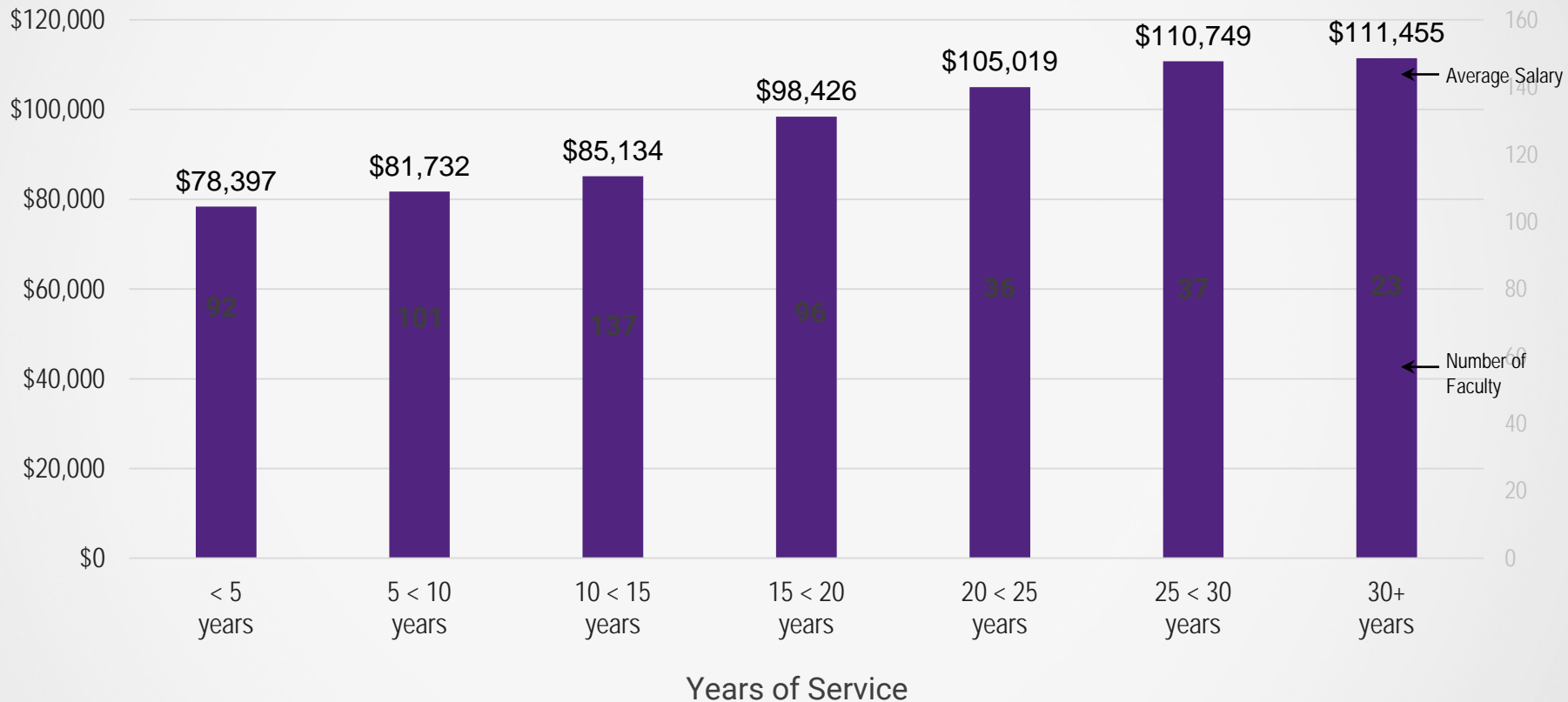
|                               | Minimum  | Maximum   | Average  |
|-------------------------------|----------|-----------|----------|
| Montgomery College (CBA)      | \$59,432 | \$111,434 | \$89,727 |
| Market Average                | \$57,349 | \$118,824 | \$88,710 |
| MC as % of the Market Average | 104%     | 94%       | 101%     |
| Dollar Difference             | \$2,083  | (7,390)   | \$1,017  |

## 5 Local Area Two-Year Institutions

|                               | Minimum  | Maximum   | Average  |
|-------------------------------|----------|-----------|----------|
| Montgomery College            | \$59,432 | \$111,434 | \$89,727 |
| Market Average                | \$54,580 | \$108,737 | \$81,659 |
| MC as % of the Market Average | 109%     | 102%      | 110%     |
| Dollar Difference             | \$4,852  | \$2,697   | \$8,068  |

# Full-Time Faculty Salaries

## Average Faculty Salaries by Years of Service

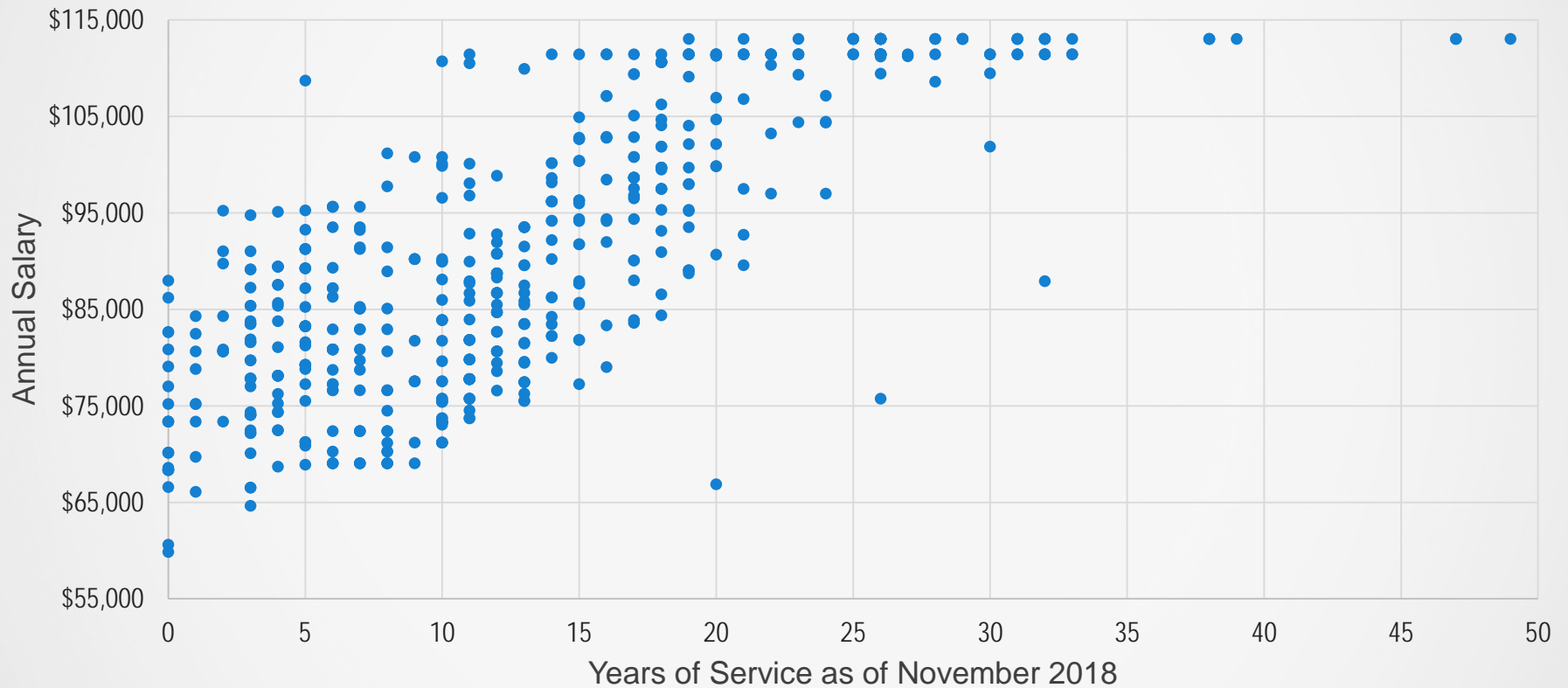


Reflects data for 522 AAUP members at Montgomery College as of November 1, 2018



# Full-Time Faculty Salaries

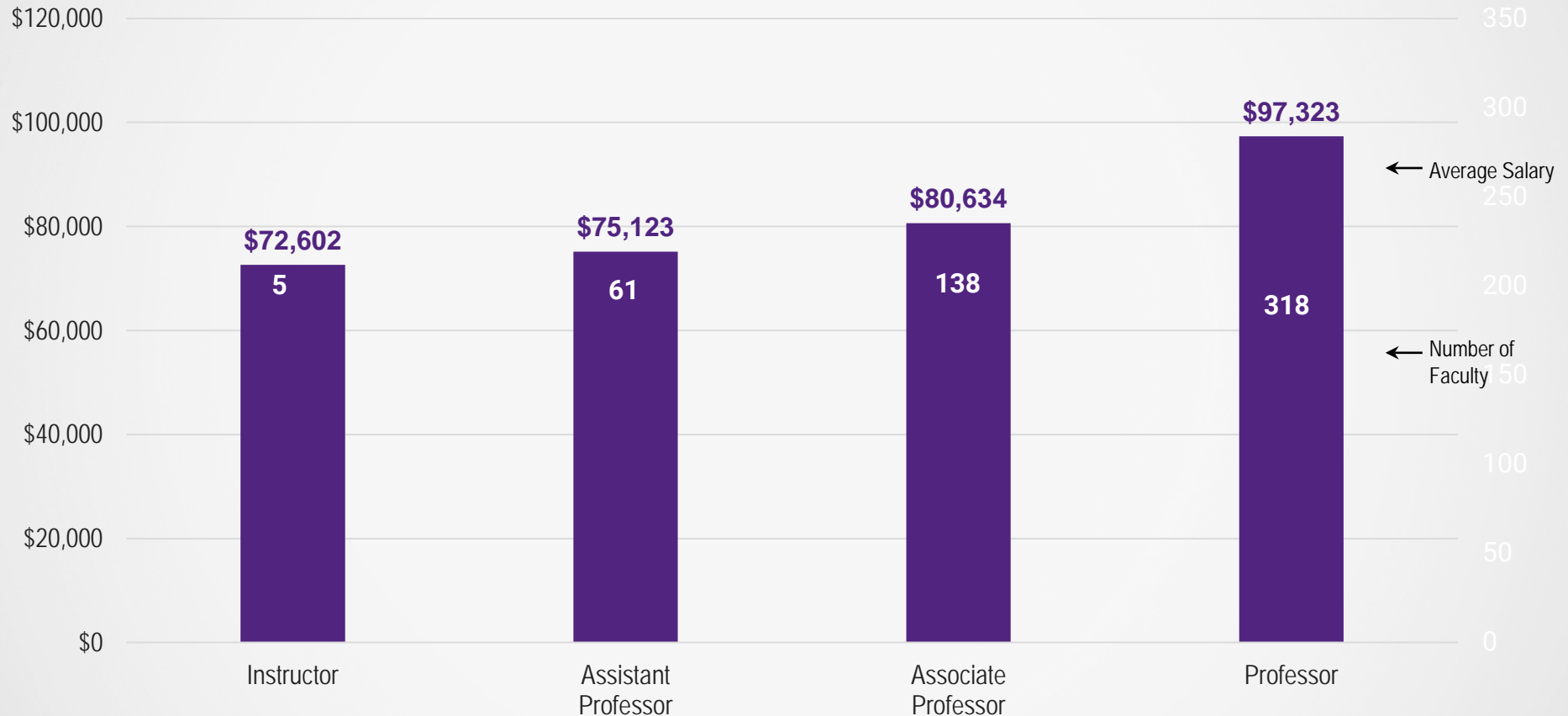
## Distribution of Faculty by Salary and Years of Service



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

# Faculty Salary Study 2018

## 22 Peer Institutions Nationwide

### (Subject to Ratification by BOT)

|   | Minimum                     | Maximum               | Average                                     |
|---|-----------------------------|-----------------------|---|
| Montgomery College Salary Scale (CBA)     | \$59,432                    | \$111,434             | \$85,433                                    |
| Market Average                            | \$57,349                    | \$118,842             | <b>\$88,710</b>                             |
| Difference                                | \$2,083                     | -\$7,408              | -\$3,277                                    |
| Montgomery College Average                | \$72,879<br>new hire salary | \$111,434<br>(actual) | <b>\$89,727</b><br>(average faculty salary) |
| <b>2.5% increase to Salary Scale FY20</b> | \$60,917 (1)                | \$114,219(2)          | \$ 87,568(3)                                |

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

$$\frac{\text{MC Average } \$89,727}{\text{Market Average } \$88,710} = 1.01$$

\*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

|                |          |        |
|----------------|----------|--------|
| MC Average     | \$89,727 | = 1.10 |
| Market Average | \$81,659 |        |

\*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>

# Comparison Ratio by Salary Grade for Administrators, Bargaining Staff and Non-Bargaining Staff

## Administrator Comparison Ratio

$$\frac{\text{MC Average } \$151,493}{\text{Market Average } \$144,880} = 1.05$$

## Bargaining Staff Comparison Ratio

$$\frac{\text{MC Average } \$62,210}{\text{Market Average } \$60,618} = 1.03$$

## Non-Bargaining Staff Comparison Ratio

$$\frac{\text{MC Average } \$87,409}{\text{Market Average } \$87,023} = 1.00$$

# 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



**MC** MONTGOMERY  
COLLEGE