

*July 2011*

# *Faculty Salary Peer Group*



State Council of Higher Education for Virginia

*Advancing Virginia through Higher Education*

## 2011 Faculty Salary Peer Group Report

The 2011 Acts of Assembly, Chapter 890, Item 139.P.1, directs the State Council of Higher Education for Virginia (SCHEV) to review, and if necessary, update institutional peer groups giving consideration to:

- (1) the impact of cost-of-living indices on the current cohort of peer institutions for public colleges and universities that currently receive a state-approved cost-of-living adjustment or
- (2) public colleges and universities where the impact of enrollment patterns resulted in the percentage of graduate degrees conferred increasing by more than 10 percentage points between 1997 and 2007 concurrent with a like decrease in the percentage of undergraduate degrees conferred during the same period.

Virginia has been using national peers as benchmarks to evaluate the competitiveness of faculty salaries at Virginia's public institutions for more than 20 years. The General Assembly is committed to striving toward the goal that the average salary for teaching and research (T&R) faculty at Virginia public institutions be at the 60<sup>th</sup> percentile of their national peers. In 1987 the General Assembly directed SCHEV to work with representatives from the money committees, the Department of Planning and Budget, the Secretary of Education, and institutions to develop national peers for each of the public colleges and universities in an effort to determine appropriate faculty salaries at Virginia institutions. The peer group process is composed of three phases: 1) data identification and collection, (2) statistical modeling, and (3) institutional meetings. The first two phases are quantitative in nature. The third phase is to select peers and allow institutions to present their particular interest and focus, something that the statistical modeling is not able to adequately address. The systemwide peer group selection and revision has been conducted three times – 1987, 1997, and 2007.

In order to accomplish the 2011 legislative directive, SCHEV staff had a preparatory meeting with representatives from the House Appropriations Committee, Senate Finance Committee, the Secretary of Education, the Secretary of Finance, and the Department of Planning and Budget (Richmond group) in March. The meeting was to identify institutions that would qualify for peer review and update, the data to be used and the process methodology. It was agreed to use the cluster analysis results generated for the systemwide peer group revision in 2007 as the base data. The intent was to be fair to institutions that were not selected for peer review in this study and to exclude any changes since 2007. It was also agreed that the selected institutions should make proposals and provide justifications to the Richmond group for consideration in order to reach an agreement on the peer group update.

Based on the directive's consideration criteria, three institutions, George Mason University (GMU), Northern Virginia Community College (NVCC) and the University of Mary Washington (UMW), were identified for peer review and update. GMU and NVCC are located in the northern Virginia which has a higher cost of living than the rest of the state. The Commonwealth already provides a cost of living adjustment for GMU and NVCC faculty salaries. UMW opened the Stafford campus, the University's College of Graduate and Professional Studies, in 1999. Since then, UMW has expanded graduate degree programs and increased student enrollment. With the Stafford Campus, UMW has changed its student body from traditional full-time residential undergraduate students to a population with increased part-time, commuting and graduate students. UMW is the only public institution that had increased the graduate degrees conferred by more than 10 percentage points between 1997 and 2007 and had a similar percent decrease in undergraduate degree awards during that period.

SCHEV staff along with the other members of the Richmond group conducted a series of individual meetings with representatives of GMU, UMW and VCCS between April and June. Based on the input of the Richmond group, each institution under review made its proposal of peer change along with justifications and outcomes. GMU and UMW decided to propose changes to their peer groups based on the General Assembly prescribed parameters while the VCCS has opted not to pursue a change in the NVCC peers at this time. The Richmond group is in agreement with these decisions described in the following sections:

### **George Mason University**

GMU used the 2007 cluster analysis result as the base to regroup the data by adding the most recent cost of living index (COLI) along with other institutional specific criteria. GMU set additional thresholds in selecting its peers:

- (1) COLI at least 100,
- (2) Enrollment at least 16,500,
- (3) Graduate degrees representing at least 20% of total degrees awarded,
- (4) Research spending at least \$30 million, and
- (5) Six-year graduation rate at least 50%.

Based on these criteria, GMU generated a list of proposed peers. The result is a peer group with an average COLI that is 8.2 points higher than the average of their current set of peers (111.1 v. 102.9). The salary gap between GMU and its peers is widened and GMU's 60<sup>th</sup> percentile is increased by 8.4%. Table 1 compares the GMU current and proposed peers.

**Table 1**  
**George Mason University's 2007 and 2011 Peers**

**GMU's Current Peers with Cost of Living Index and Salary**

Institution Name	Location	Cost of Living Index (COLI, 2011) <sup>1</sup>	Average Faculty Salary (FY2010) <sup>2</sup>
George Washington University	Washington, DC	121.0	\$108,648
University of Maryland-College Park	College Park, MD	118.9	\$103,616
<b>George Mason University<sup>3</sup></b>	<b>Northern VA</b>	<b>118.3</b>	<b>\$80,531</b>
Boston University	Boston, MA	115.6	\$101,111
Northeastern University	Boston, MA	115.6	\$96,439
University of Connecticut	Storrs, CT	111.6	\$99,384
SUNY at Albany	Albany, NY	107.3	\$94,621
Arizona State University	Tempe, AZ	107.3	\$84,493
University of Nevada-Reno	Reno, NV	106.8	\$89,417
Wayne State University	Detroit, MI	105.6	\$83,435
Syracuse University	Syracuse, NY	104.1	\$88,147
University of Nebraska-Lincoln	Lincoln, NE	102.7	\$84,734
University of Nevada-Las Vegas	Las Vegas, NV	102.1	\$90,339
University of Kansas	Lawrence, KS	100.7	\$86,957
University of Cincinnati-Main Campus	Cincinnati, OH	99.8	\$78,520
University at Buffalo	Buffalo, NY	99.5	\$97,450
Georgia State University	Atlanta, GA	98.6	\$75,988
University of Houston	Houston, TX	97.4	\$87,091
University of Louisville	Louisville, KY	97.2	\$75,576
University of New Mexico-Main Campus	Albuquerque, NM	97.1	\$79,104
University of Memphis	Memphis, TN	96.7	\$70,883
University of Arkansas	Fayetteville, AR	95.5	\$76,751
Indiana University-Bloomington	Bloomington, IN	95.4	\$90,757
Indiana University-Purdue University-Indianapolis	Indianapolis, IN	94.2	\$69,844
University of Oklahoma Norman Campus	Norman, OK	93.9	\$78,821
University of Missouri-Columbia	Columbia, MO	88.6	\$75,454
<b>Peer Average</b>		<b>102.9</b>	<b>\$86,703</b>
<b>Peer 60th Percentile</b>			<b>\$89,542</b>
<b>Required % of Salary Increase</b>			<b>11.2%</b>

Notes:

(1) Comes from Economic Research Institute (ERI), January 2011.

(2) Comes from IPEDS SA 2009.

(3) Salary excludes the state cost of living adjustment of 8.57%. The actual state appropriated salary is \$87,432.

**GMU's Proposed Peers with Cost of Living Index and Salary**

Institution Name	Location	Current Peers	Cost of Living Index (COLI, 2011) <sup>1</sup>	Average Faculty Salary (FY2010) <sup>2</sup>
University of Southern California	Los Angeles, CA		128.40	\$107,292
New York University	New York, NY		126.10	\$110,104
Stony Brook University	Stony Brook, NY		124.80	\$97,691
George Washington University	Washington, DC	Y	121.00	\$108,648
University of Maryland-College Park	College Park, MD	Y	118.90	\$103,616
<b>George Mason University<sup>3</sup></b>	<b>Northern VA</b>		<b>118.3</b>	<b>\$80,531</b>
Rutgers University-New Brunswick	New Brunswick, NJ		116.50	\$105,155
Boston University	Boston, MA	Y	115.60	\$101,111
Northeastern University	Boston, MA	Y	115.60	\$96,439
Temple University	Philadelphia, PA		112.70	\$90,747
University of Washington-Seattle Campus	Seattle, WA		111.70	\$94,457
University of Connecticut	Storrs, CT	Y	111.60	\$99,384
University of Minnesota-Twin Cities	Minneapolis, MN		109.50	\$92,855
University of Arizona	Tucson, AZ		108.70	\$88,970
North Carolina State University at Raleigh	Raleigh, NC		108.00	\$88,129
Arizona State University	Tempe, AZ	Y	107.30	\$84,493
SUNY at Albany	Albany, NY	Y	107.30	\$94,621
University of Florida	Gainesville, FL		107.00	\$83,642
Florida State University	Tallahassee, FL		106.10	\$79,237
Michigan State University	East Lansing, MI		104.80	\$93,111
University of North Carolina at Chapel Hill	Chapel Hill, NC		104.50	\$105,487
University of Massachusetts-Amherst	Amherst, MA		104.30	\$89,627
Syracuse University	Syracuse, NY	Y	104.10	\$88,147
University of Nebraska at Lincoln	Lincoln, NE	Y	102.70	\$84,734
University of Kansas	Lawrence, KS	Y	100.70	\$86,957
University of Illinois at Urbana-Champaign	Chicago, IL		100.20	\$93,206
<b>Peer Average</b>			<b>111.1</b>	<b>\$94,714</b>
<b>Peer 60th Percentile</b>				<b>\$97,029</b>
<b>Required % of Salary Increase</b>				<b>20.5%</b>
<b>Peer 60th Percentile Change</b>				<b>8.4%</b>
<b>Total Current Peers</b>		<b>10</b>		

## University of Mary Washington

Before 1999, UMW was basically a residential baccalaureate institution. With the help of state funding, UMW established its Stafford campus in 1999 with a focus on professional development and regional business engagement. Since then, UMW has expanded its master's programs primarily in education and business. As a result, UMW has transformed its student body from traditional full-time residential undergraduate students to a population with increased part-time, commuting and graduate students. UMW is the only public institution that had increased the graduate degrees conferred by more than 10 percentage points between 1997 and 2007 and had a similar percent decrease in undergraduate degree awards during that period.

During the 2007 peer revision, UMW peers were selected by the same methodology as that used for other institutions. However, UMW is in transition from a primarily undergraduate residential institution to a comprehensive institution. Selecting larger, well-established master's degree institutions as peers put UMW at a disadvantage since UMW has a higher percent of faculty with terminal degrees and a higher graduation rate than many of its 2007 peers.

Given this unique situation, SCHEV staff re-ran the 2007 cluster analysis using three scenarios: (1) top 75 peer institutions in cluster distance to UMW without the Stafford campus enrollment, (2) top 75 peer institutions to UMW with the Stafford campus enrollment but these institutions were unduplicated peers from (1), and (3) top 75 peer institutions which were drawn from both (1) and (2). This methodology recognizes that UMW is in transition and allows UMW to select peers from either of the groups. In addition, the Richmond group advised UMW that it should include some peers that are more similar in size to UMW in further recognition of the university's changing character.

Based on the data provided by SCHEV staff, UMW proposed peer institution changes with additional selection criteria. The UMW selection criteria are

- (1) Graduation rate, and
- (2) Percent of faculty with terminal degrees.

UMW also applied different thresholds for these two criteria. For the master's degree institutions, UMW used at least 75 percent for both graduation rate and faculty with terminal degrees. For the baccalaureate institutions, UMW used at least 76 percent of graduation rate and at least 86% of faculty with terminal degrees. The UMW proposal increased the number of its peers with bachelor's degrees as the highest degree offering from one to eleven. As a result, UMW's faculty salary goal increased by 13.1%. Table 2 compares the UMW current and proposed peers.

**Table 2  
University of Mary Washington's 2007 and 2011 Peers**

**UMW's Current Peers with Highest Degree Offering and Salary**

Institution Name	Highest Offering	FY10 Salary
Assumption College	Post-Master's Cert	\$62,922
Augsburg College	Post-Master's Cert	\$58,655
Drury University	Master's Degree	\$59,867
Eastern Connecticut State University	Master's Degree	\$73,817
Furman University	Master's Degree	\$81,703
Gustavus Adolphus College	Bachelor's Degree	\$59,414
Hamline University	Doctor's Degree	\$70,166
Lebanon Valley College	Doctor's Degree	\$64,791
Lynchburg College	Master's Degree	\$61,241
Mansfield University of Pennsylvania	Master's Degree	\$77,741
Massachusetts College of Liberal Arts	Post-Master's Cert	\$66,299
Millersville University of Pennsylvania	Post-Master's Cert	\$79,916
Moravian College	Master's Degree	\$65,702
Providence College	Master's Degree	\$80,087
Ramapo College of New Jersey	Master's Degree	\$85,089
Saint Michael's College	Post-Master's Cert	\$75,335
Skidmore College	Master's Degree	\$74,623
Sonoma State University	Master's Degree	\$76,932
University of Puget Sound	Master's Degree	\$76,970
University of Wisconsin-Green Bay	Master's Degree	\$57,285
University of Wisconsin-River Falls	Post-Master's Cert	\$61,475
Westfield State College	Post-Master's Cert	\$65,193
Westminster College	Post-Master's Cert	\$57,268
Wheaton College	Doctor's Degree	\$71,017
Whitworth University	Master's Degree	\$66,415
Average Peer Salary		\$69,197
Peer 60th Percentile		\$71,491
UMW FY10 appropriated salary		\$72,728
Required % of salary increase		0%

**UMW's Proposed Peers with Highest Degree Offering and Salary**

Institution Name	Current Peer	Highest Offering	FY10 Salary
Bates College		Bachelor's Degree	\$89,173
Colgate University		Master's Degree	\$92,928
College of the Holy Cross		Bachelor's Degree	\$84,188
Colorado College		Master's Degree	\$90,056
Connecticut College		Master's Degree	\$80,336
Davidson College		Bachelor's Degree	\$93,021
Denison University		Bachelor's Degree	\$68,980
DePauw University		Bachelor's Degree	\$74,758
Franklin and Marshall College		Bachelor's Degree	\$80,917
Furman University		Master's Degree	\$81,703
Hamilton College		Bachelor's Degree	\$90,789
Illinois Wesleyan University		Bachelor's Degree	\$70,457
Kenyon College		Bachelor's Degree	\$73,934
Macalester College		Bachelor's Degree	\$81,621
Marist College		Master's Degree	\$67,458
Mount Holyoke College		Master's Degree	\$88,049
Occidental College		Master's Degree	\$84,011
Providence College	Y	Master's Degree	\$80,087
Rhodes College		Master's Degree	\$66,247
Saint Michael's College	Y	Post-Master's Cert	\$75,335
St Lawrence University		Post-Master's Cert	\$76,119
St. Olaf College		Bachelor's Degree	\$70,402
SUNY at Geneseo		Master's Degree	\$70,181
Westminster College	Y	Post-Master's Cert	\$52,118
Wheaton College	Y	Doctor's Degree	\$71,017
Average Peer Salary			\$78,155
Peer 60th Percentile			\$80,836
Peer 60th Percentile Change			13.1%
UMW FY10 appropriated salary			\$72,728
Required % of salary increase			11%
Total Current Peers	4		

## Northern Virginia Community College

The Northern Virginia Community College (NVCC) is one of 23 colleges in the Virginia Community College System (VCCS). NVCC had an enrollment of 48,996 headcount students in fall 2010. It is the largest college in the system and ranks as the 4<sup>th</sup> largest community college nationally in terms of student enrollment. NVCC's characteristics of large student enrollment and location in a metropolitan setting limit its national peer selection. Fifteen of NVCC's current peers are in the top twenty largest community colleges nationally. Nine of NVCC current peers are in metropolitan areas of California and New York that have higher cost of living indices than the Northern Virginia COLI (see Table 3) which leaves very little, if any, room for improvement. In addition, the Commonwealth provides a systemwide appropriated faculty salary to the VCCS. The system office uses this appropriated salary to allocate the faculty salary funding to each of its colleges. The state calculates the VCCS faculty salary goal in a weighted fashion based on each institution's share of the total VCCS faculty. Therefore, a minimal increase in the NVCC faculty salary goal derived through a peer change would have little impact on the VCCS faculty salary goal.

SCHEV staff and other Richmond group members met with VCCS representatives to discuss the potential COLI impact and possible peer changes. After careful consideration, VCCS notified SCHEV staff that it will not pursue a change to the NVCC peers this time with the following statement:

"While Northern Virginia Community College (NVCC) has recently conducted market studies that document the high cost of living expenses (COLI) in their region and the impact on faculty recruitment and retention, adding COLI as an attribute in the model to identify peers for faculty salaries will have very little impact on the group for NVCC. There are few institutions in the country that are of similar size and most of those institutions are in urban areas as well. Adding COLI does not significantly change the group. The current peer group represents as well as possible the 25 colleges with conditions most similar to NVCC. NVCC's recent studies support an increase in the 8% differential that it currently receives in recognition of the high cost of living in that area. However, since the Appropriation Act language requires that this study focus on the impact of cost-of-living indices on NVCC's current peer institutions, we realize this is not an opportunity to address the differential issue as part of this exercise. We would welcome the opportunity to discuss the differential issue further with you and the Council."

**Table 3**  
**Northern Virginia Community College Peers’**  
**Cost of Living Index and Salary**

UNITID	Institution Name	State	Cost of Living Index (COLI) <sup>1</sup>	2009-10 Average Faculty Salary
113333	De Anza College	CA	122.40%	\$88,710
112190	City College of San Francisco	CA	120.90%	\$83,535
122977	Santa Monica College	CA	112.90%	\$95,188
120971	Palomar College	CA	109.70%	\$91,360
366395	Suffolk County Community College	NY	109.20%	\$81,093
190521	CUNY Borough of Manhattan Community College	NY	107.40%	\$76,724
193478	Nassau Community College	NY	107.40%	\$84,073
121044	Pasadena City College	CA	106.70%	\$83,243
119164	Mt San Antonio College	CA	100.70%	\$76,696
232946	Northern Virginia Community College <sup>2</sup>	VA	100.00%	\$61,854
109208	American River College	CA	97.00%	\$76,677
132709	Broward Community College	FL	94.00%	\$56,873
209746	Portland Community College	OR	92.90%	\$63,679
121901	Riverside Community College	CA	92.40%	\$90,707
105154	Mesa Community College	AZ	91.00%	\$64,036
144865	College of DuPage	IL	90.60%	\$95,362
202356	Cuyahoga Community College District	OH	89.40%	\$70,119
105525	Pima Community College	AZ	89.30%	\$61,738
138187	Valencia Community College	FL	87.90%	\$58,454
228547	Tarrant County College District	TX	86.00%	\$58,234
230746	Salt Lake Community College	UT	85.00%	\$48,802
222992	Austin Community College District	TX	85.00%	\$60,927
224642	El Paso Community College	TX	83.70%	\$50,109
202222	Columbus State Community College	OH	83.20%	\$57,964
225423	Houston Community College System	TX	82.70%	\$57,272
227182	North Harris Montgomery Community College District	TX	82.70%	\$81,101
	Average Peer Institutions		96.40%	\$72,507
	60th Percentile of Peers			\$76,449
	Goal with 8% COLI adjustment			\$82,565

Notes:

(1) Data provided by the VCCS based on the 2010 Segal Report using COLI data from the Economic Research Institute, October 2009

(2) 2009-10 faculty salary data comes from IPEDS SA 2009.

In summary, SCHEV staff consulted with representatives of the Secretary of Education, the Secretary of Finance and the legislative money committee on this limited review of faculty salary peer groups. This Richmond group met with each of the three designated institutions and is in agreement that the institutional proposals described in this report are reasonable and appropriate. Therefore, the SCHEV staff recommends that the Council approve the institutional peer group changes at GMU and UMW described in this report.