

TO: Figen Mekik, Chair, ECS/UAS

FROM: Robert (Bob) Hollister, Chair, FSBC

SUBJECT: 2012-2013 Annual Salary Adjustment Request

DATE: September 28, 2012

CC: Lisa Surman Haight, Senate Assistant

Each year the FSBC is asked to recommend to ECS/UAS a salary adjustment increment for the coming budget year. Given the time constraints of the fall semester, our recommendation needs to be forwarded to ECS, vetted, and voted upon by UAS before Thanksgiving. Over the past few years, FSBC has recommended CPI plus 1.5% as a minimum standard. This year is no different; FSBC requests a 2012-13 salary adjustment of at least Midwest CPI plus 1.5 percent.

The following table depicts the Average Salary Adjustment for the GVSU continuing faculty over the past five years. When the raises are adjusted for inflation (raise minus CPI), the result is the real percent change in salaries.

Table 1. Average Annual Increases in Salaries

	2007- 08	2008- 09	2009- 10	2010- 11	2011- 12	5-year Average*
Regular faculty raises^	5.2	5.4	3.6	-	2.4	3.32
Proposed minimum raises (Midwest CPI +1.5%)	5.2	1.2	4.4	3.4	4.3	3.70
Midwest CPI (Dec to Dec) ⁺	3.7	(0.3)	2.9	1.9	2.8	2.20
National salary raises [#]	5.1	4.9	1.8	2.5	2.9	3.44
National CPI (Dec to Dec)#	4.1	0.1	2.7	1.5	3.0	2.28
GVSU raises vs. Proposed minimum raises	0.0	4.2	(8.0)	(3.4)	(1.9)	(0.38)
GVSU raises vs. National raises (unadjusted)	0.1	0.5	1.8	(2.5)	(0.5)	(0.12)
GVSU raises vs. National raises (CPI adjusted)	0.5	0.9	1.6	(2.9)	(0.3)	(0.04)

[^]Includes promotional increments, merit raises, and compression

^{*}Bureau of Labor Statistics http://www.bls.gov/ro5/news.htm#inflation

[#]AAUP, http://www.aaup.org/AAUP/pubsres/research/compensation.htm

^{*}Negative numbers in parentheses