

TO: Karen Gipson, Chair, ECS/UAS

FROM: Robert Hollister, Chair, FSBC

SUBJECT: 2014-2015 Annual Salary Adjustment Request

DATE: October 3, 2014

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. FSBC has historically recommended CPI plus 1.5% as a minimum standard. This year is no different; FSBC requests a 2015-16 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 ten years. When the raises are adjusted for inflation (raise minus CPI), the result is the real percent change in salaries. Over the past 5 and 10 years, GVSU faculty salaries have not met the minimal expectation of CPI plus 1.5 percent, and increases in salaries have been below national averages. Thus salaries at GVSU have remained below the average of Michigan Public Institutions (see FSBC 2014 Newsletter and the attached Figure). FSBC is concerned that faculty salaries remain competitive to attract and retain the best faculty to maintain our reputation for excellence.

Table 1. Average annual increases in faculty salaries at GVSU relative to the Nation.

	2003- 04	2004- 05	2005- 06	2006- 07	2007- 08	2008- 09	2009- 10	2010- 11	2011- 12	2012- 13	2013- 14	5-year Average	10-year Average
GVSU faculty raises [^]	2.9	2.3	1.8	3.0	5.2	5.4	3.6	0.0	2.4	3.5	2.0	3.15	2.92
Proposed minimum (CPI+1.5%)	3.4	3.9	4.7	4.2	5.2	1.2	4.5	3.3	4.3	3.3	2.5	3.47	3.68
Midwest CPI (Dec to Dec) ⁺	1.9	2.4	3.2	2.7	3.7	(0.3)	3.0	1.8	2.8	1.8	1.0	1.97	2.18
National raises [#]	3.1	4.5	4.4	5.0	5.1	4.9	1.8	2.5	2.9	3.2	3.4	3.40	3.71
National CPI (Dec to Dec) [#]	1.9	3.3	3.4	2.5	4.1	0.1	2.7	1.5	3.0	1.7	1.5	2.09	2.34
GVSU vs Proposed minimum	(0.5)	(1.6)	(2.9)	(1.2)	0.0	4.2	(0.9)	(3.3)	(1.9)	0.2	(0.5)	(0.31)	(0.76)
GVSU vs National (unadjusted)	(0.2)	(2.2)	(2.6)	(2.0)	0.1	0.5	1.8	(2.5)	(0.5)	0.3	(1.4)	(0.25)	(0.79)
GVSU vs National (CPI adjusted)	(0.2)	(1.3)	(2.4)	(2.2)	0.5	0.9	1.5	(2.8)	(0.3)	0.2	(0.9)	(0.13)	(0.64)

() Indicate negative numbers

[^] Values after 2010 do not include promotional increments, merit raises, compression or other special salary adjustments

⁺ Values from the Bureau of Labor Statistics

[#] Values from the AAUP (American Association of University Professors) Annual Report on the Economic Status of the Profession

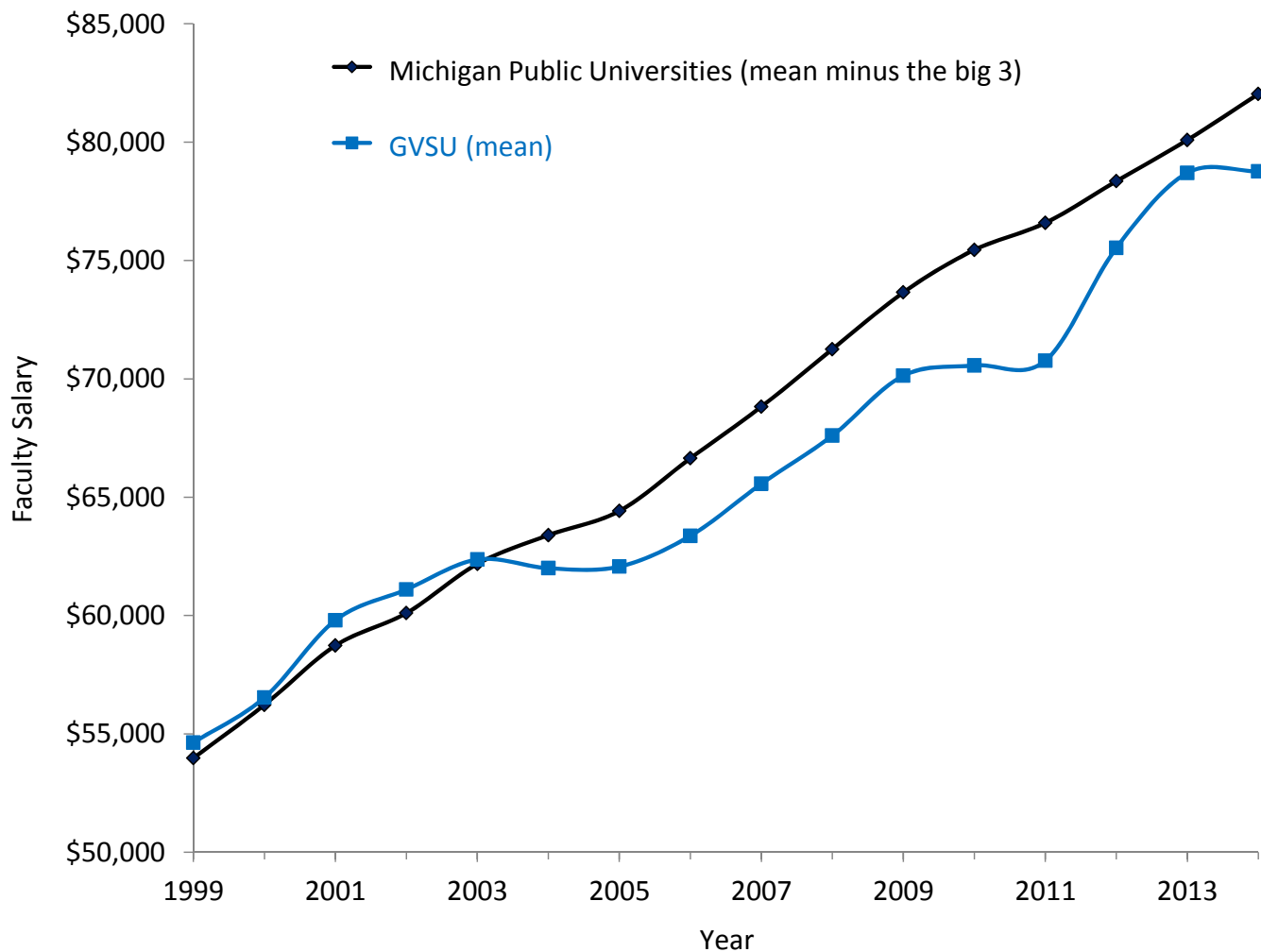


Figure 1. Mean faculty salary at Michigan Public Universities & GVSU over the past 15 years.

The mean salary was calculated as the average of the three salaries posted by rank (Full, Associate, and Assistant) by AAUP (the big 3 include University of Michigan –Ann Arbor, Wayne State University, and Michigan State University). The graph is intended to show the trend and is not actually the salary of the average faculty member (given that the graph weights each rank equally).