Faculty Compensation Management

UNIVERSITY POLICY #245

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President's Signature: On File

SECTION 1: Introduction

1.1 This policy outlines the guiding principles for full-time faculty compensation management at West Liberty University.

SECTION 2: Definitions

2.1 **Base Salary.** The amount or a rate of compensation for a specified position of employment or activity excluding annual experience increment and any other payments or allowances for work or activity unrelated to that specified position of employment such as stipends for administrative duties. Salary increase calculations are based solely on base salary.

2.2 **Comparator Average Salary** is based on faculty salary information gathered from comparable higher education institutions and used to evaluate WLU's salaries. A list of peer institutions is developed and maintained for this purpose by WLU and will be available for reference in the Office of Human Resources.

2.3 **Compression** occurs when market factors force initial salaries to be greater than would be expected given existing faculty member salaries, regardless of skills, experience or seniority.

2.4 **Faculty.** Those persons at WLU who hold appointments with a rank of Professor, Associate Professor, Assistant professor, Instructor, or Lecturer. The compensation of faculty members whose employment is grant-funded, or whose workload is less than 1.0 FTE are not addressed by this policy.

2.5 **Institutional Floor.** The minimum salary for each rank regardless of department or discipline.

2.6 **Internal Equity Analysis.** A comparative analysis of compensation levels within an organization to determine if a level of compensation is equitable when compared to compensation of other employees who hold similarly situated positions in the job classification or pay range who have the same or similar levels of knowledge, skill, experience, performance, rank, and discipline.

2.7 **Labor Market.** The labor market for compensation is the geographic area, industry, organization size, or organization type from which an organization attracts employees. Market value refers to how much a particular job would be worth for a specific talent market (industry, size, location, organization type) at a specific or target percentile. Our labor market consists of colleges and universities of similar size by enrollment/student population, endowment, and/or budget. These will include, but are not limited to, those located in WV (specifically regional), southwestern Pennsylvania and southeastern Ohio. The National CUPA median salary data adjusted by the year over year change in WV Consumer Pricing Index may be considered.

2.8 **Overload Pay.** Extra pay given in conjunction with additional assigned teaching responsibilities beyond required academic credit hours as noted in in the faculty member's Letter of Appointment.

2.9 **Stipends.** Extra pay given in conjunction with administrative duties such as serving as Department Chair or Program Director, or supplemental duties as may be required by the university.

SECTION 3: Philosophy

3.1 The goal of West Liberty University's compensation program for faculty is to pay fair competitive salaries to attract, retain, and motivate talented and committed full-time faculty members to support the University's mission, vision, goals and culture. The intended best practice is to be equitable in market competiveness, discipline, rank, and performance-based merit, dependent upon budget availability.

SECTION 4: Nondiscrimination

4.1 The University is committed to a policy of equal opportunity in every aspect of our operation. We value diversity and seek talent from a variety of backgrounds. Accordingly, and in compliance with federal guidelines enforced by the Equal Employment Opportunity Commission (EEOC), it is unlawful to, knowingly or unknowingly, discriminate in pay or application of employment practices.

4.2 Salary decisions shall be made without regard to race, color, religion, sex, national origin, age or disability. In addition, the University does not discriminate on the basis of sexual orientation, gender expression, gender identity, military or veteran status or any other status protected by law in matters pertaining to employment and compensation.

4.3 Questions or concerns regarding the system's equal employment opportunity (EEO) policies and programs should be directed to the Chief Human Resource Officer, the designated AA/EEO Officer.

4.4 The purpose of this policy is to ensure consistency in salary administration. Nothing contained in this policy constitutes a contract or guarantee of employment.

SECTION 5: Compensation Administration

5.1 Total compensation includes annual base salary plus any stipends, plus fringe benefits. Stipends are determined independently of this policy. Benefits are also addressed outside of this policy and may be found on the WLU webpage under Human Resources.

5.2 Overall administration of the faculty compensation management policy is the responsibility of the Provost, in collaboration with the Chief Human Resource Officer and the Vice President of Finance and Administration, and is subject to the direction of the President.

5.3 A Faculty Compensation Review Committee consisting of the Faculty Senate chair, the Faculty Senate finance committee chair, 2 at-large faculty members identified by Faculty Senate, the Vice President of Finance and Administration, and the Chief Human Resource Officer, with the Provost serving as the committee chair. The committee will meet to review and address faculty compensation issues including, but not limited to, items such as merit increase, state appropriation, and equity. In the second year of each biennium, the committee will review and make recommendations regarding institutional compensation starting salary minimums and market equity adjustments. The committee will also make recommendations to the President in determining the allocation of available compensation funds. The committee will review the overall compensation plan in the spring semester. At this meeting, the Chief Human Resource Officer will present an annual review of faculty salaries.

5.3.1 **Initial Faculty Salaries.** Faculty salaries are negotiated at the time of hire and are not less than the floor salary of that rank. The Dean and Department Chair or Program Director will recommend to the Provost initial salaries above the floor salary consistent with market conditions, education, experience of the individuals, and comparable positions.

5.3.2 **Institutional Floor.** Floor salaries are the minimum salary (9-month contract) for each rank regardless of department or discipline.

5.3.3 **Floor Adjustments.** Institutional floors will be adjusted annually by the COLA rate awarded to faculty salaries as budget permits.

5.3.3.1 Floors established in 2018:

Instructor……..$35,000

Assistant……$40,000

Associate……$45,000

Professor……$50,000

5.3.4 **Increases to Base Salary** for faculty by rank and discipline may occur through promotion in rank, five-year enhancement review, terminal degree adjustment, cost-of-living adjustments, market and internal equity adjustments, adjustment to institutional floors, adjustments to the comparator averages, and merit pay. Individual adjustments may also be considered on a case-by-case basis.

5.3.4.1 **Promotion in Rank.** A faculty member who receives a promotion in rank receives a base salary adjustment per W. Va. Code §18-B-2 or an adjustment up to the floor of their new rank, whichever is greater. The salary adjustment is effective with the following academic year.

5.3.4.2 **Five-year Enhancement Review.** The five-year salary enhancement review provides a reward and incentive plan for faculty members who are fully promoted based on qualifications. The details of this plan are provided in WLU Procedure 240.

5.3.4.3 **Terminal Degree salary adjustment.** Faculty members who receive relevant terminal degrees from recognized higher education institutions in their discipline shall receive a base salary adjustment of $750 applicable at the beginning of the next academic year.

5.3.4.4 **Cost-of-living Adjustment (COLA).** This adjustment is a pay increase, when budget permits and as determined by administration, that is given to all faculty to maintain real wages. COLA is based upon the year-over-year change in regional consumer price index (CPI) and is a standard percentage increase.

5.3.4.5 **Market Equity Adjustments.** The Faculty Compensation Review Committee and the Provost's Office will examine and make recommendations on salary levels in the university as a whole, salary disparity among departments/disciplines, minimum salary levels

(institutional floor data and comparator data) and salary compression. Such review will take place on a biennial basis in the spring semester.

5.3.4.6 **Internal Equity Adjustments.** The Provost's Office shall set aside funds as budget permits to address internal inequities due to compression. These adjustments will be reviewed annually as part of the faculty compensation review meeting. Available funds shall be applied to targeted individuals who are farthest from the median salary by rank and discipline. These adjustments will become effective the next academic year.

5.3.4.7 **Adjustments to Institutional Floors.** Any faculty member whose base salary falls below the institutional floor for their academic rank, as determined annually, may receive a salary adjustment to make their base salary at least equal to the new floor, based on budget availability.

5.3.4.8 **Comparator Adjustments.** The Provost's Office will direct Institutional Research (IR) to collect College and University Professional Association (CUPA) data by discipline from the WLU-approved list of comparator institutions for WLU. If data is not available for a discipline, the academic department, with the final approval of the Faculty Compensation Review Committee, will determine a list of comparators based on WLU's identified list of colleges and universities located in WV (specifically regional), southwestern Pennsylvania, southeast Ohio, and other regions, as necessary, that are similar in size by enrollment/student population, endowment, and/or budget. The average Assistant Professor salary for each discipline will be determined using CUPA data adjusted accordingly by the year-over-year change in WV Consumer Pricing Index (CPI) and the WV regional institutions. The average Associate Professor salary will be the average Assistant Professor salary plus 20%. The average Professor salary will be the average Associate Professor salary plus 20%.

5.3.4.9 **Merit Pay.** The Provost will set aside funds as budget permits for allocation to faculty with meritorious performance. Recommendations regarding this allocation and its distribution will be made by the Faculty Compensation Review Committee. These funds will be awarded in accordance with WLU Procedure 240 to faculty who demonstrate exceptional performance as defined by WLU Policy 214.

5.3.4.10 **Individual Inquiries.** WLU recognizes that a salary plan must permit the flexibility to accommodate special circumstances unforeseen or

unanswered by that plan. Individual inquiries shall be directed to the Provost or Chief Human Resource Officer and presented to the President for final decision.

SECTION 6: Funding

6.1 Funding for salary adjustments will be recommended annually through the President's Cabinet budget build-out process. A faculty compensation budget will be established as part of that process.