End-of-Year Report of the 2013-2014 Compensation Committee

May 12, 2014

From: Compensation Committee:
Staff: Brenda Soto, Kathy Butler, Chad Schonewill,
Nathan Raugutt, Cecilia Gonzales, Kelley Mathers
Faculty: Susan Ashley, Marie Davis-Green, Tass Kelso, Sam Williams, and Kristine Lang (chair)
Ex-officio: Robert Moore, Barbara Wilson

This report summarizes the work of the compensation committee for the academic year 2013-2014.

Salary allocation report and responses

The primary work of the committee took place in fall 2013 and culminated in two mid-year reports, one from the staff and one from the faculty, both with recommendations for salary allocation. Subsequently, the President and the Dean responded to these reports and made presentations on the upcoming year salary models. The reports and responses are included as appendices as listed below.

Staff report and responses:

- Appendix A: Staff salary allocation report from the staff compensation committee.
- Appendix B: Response to the staff salary report sent on March 26, 2014 by President Tiefenthaler to the staff compensation committee.
- Appendix C: Presentation on staff salaries on April 18, 2014 by President Tiefenthaler at the staff "In the Loop" meeting.

Faculty report and responses:

- Appendix D: Faculty salary allocation report from the faculty compensation committee.
- Appendix E: Queries and responses from the faculty compensation committee and Dean Sandi Wong. On December 3, 2013, the faculty members of this committee held a meeting with the faculty at-large. This meeting generated a number of unanswered questions and queries. The faculty compensation committee summarized these queries and posed them to Dean Sandi Wong who issued a written response to them in January 2014.
- Appendix F: Presentation on faculty salaries on April 14, 2014 by President Tiefenthaler at the faculty meeting.

Other topics considered

We discussed and offer recommendations on the following topics this year:

- Short and long term disability leave for staff
- Start-up funds for faculty
- Differential salaries by field for faculty

Our discussions and recommendations on these topics are summarized in our Block 5 and 7 meeting minutes which are included in Appendix G and H respectively.

Appendix A: Staff Report

Staff Compensation Committee Recommendations for the 2014-2015 Academic Year

This year, the compensation committee has decided to focus our recommendations less on what the overall pool sizes should be, and more on how we think the funds should be allocated. We will still comment briefly on pool size, but this will not be the core focus of the recommendations. For clarity, we have separated our recommendations into two sections, Merit Pay Recommendations and Other Recommendations.

Overall Recommendations:

- **All acceptably performing staff members should receive a flat-dollar increase to base pay to represent an increase in the Cost of Basic Goods and Services (CoBGS).**
- **Award additional merit increases to base pay of staff earning the top two performance rating categories.**
- **Adjust how CoBGS is calculated to be more consistent year-after-year.**
- **The performance rating categories should be renamed to more clearly reflect staff performance.**
- **Increase the college's contribution to retirement funds to 10% of annual salary.**
- **Explore the cost and feasibility of implementing "tiers" within staff positions.**

Section 1 – Merit Pay Recommendations

Regardless of the amount allocated for staff salary raises this year, our recommended priority for allocating those funds are:

- **All acceptably performing staff members should receive a flat-dollar increase to base pay for the Cost of Basic Goods and Services (CoBGS).**
- **Award additional merit increases to base pay of staff earning the top two performance rating categories.**
- **Adjust how CoBGS is calculated to be more consistent year-after-year.**

Discussion

We feel strongly that the best way to apply the CoBGS model is for every staff member who performs at an acceptable level to receive a flat-dollar base salary increase in response to the increase in the cost of basic goods and services each year. A percentage-based merit increase would then be awarded to those ranked in the two highest performance groups. Reasons for these recommendations include:

- An across-the-board increase for all acceptably performing staff members is designed to represent a CPI-based increase in cost of basic goods and services - something which impacts all staff members equally.
- This approach slightly dampens the exponentially growing difference between the lowest and highest salaries associated with merit-only models, while causing less compression than the "floor" model used last year.

    - Superior performance across all bands is rewarded in a meaningful way, including higher dollar amount increases for those in higher bands.
    - Staff members in lower bands receive higher percent increases to base pay as part of the CoBGS adjustment.
- The “floor” model as used last year may disincentivize those in the lowest bands from aspiring to the highest levels of performance due to the lack of difference between the merit categories – effectively defeating the purpose of a merit-based pay system (see Appendix A).
    - Nearly 50% of staff members who received a rating of “Strong” in 2012-2013 received the $1,000 floor increase
- The “floor” model is potentially less responsive to changes in CoBGS as it is arbitrarily set, not calculated as a function of CPI.

This year, we also recommend a slight change to the CoBGS calculation. Instead of using the hourly rate of the lowest paid employee, we propose changing the base salary figure to the minimum hourly rate at CC (the base of band 1). This is a relatively minor change, but would add consistency year-to-year since the lowest paid employee may not always make the minimum hourly rate.

The proposed calculation is then (CoBGS = CPI x minimum hourly rate of band 1 at CC x 2080 work hours). For example, last year was 0.0258 x 11.63 x 2080 = $624. The new calculation (using last year’s CPI) would be 0.0258 x 11.06 x 2080 = $594.

We discussed changing the CPI measure to match the calendar year (Jan - Dec) instead of what has been used the past few years (Sept - Aug). This is because the new pay for performance system is not linked to CPI, which will now only be used to calculate the cost of basic goods and services (CoBGS) raise for staff. This calculation should occur around February, and will result in a flat dollar amount that represents CoBGS.

* Note that 2014-15 will be the third year of the new staff salary system, and so continued adjustments for market and compression will occur as additional money outside the salary pool, thus we do not need to include those in our priorities.

Section 2 - Other Recommendations

The Compensation Committee Staff Subcommittee further recommends:

- **The performance rating categories be renamed to more clearly reflect staff performance.**
- **Increase the college’s contribution to retirement funds to 10% of annual salary.**
- **Explore the cost and feasibility of implementing “tiers” within staff positions.**

Discussion

Performance Categories: In the first year of the new pay for performance system (last year), the committee recommended 4 categories for overall performance and estimated approximately how much of the CC community we'd expect to fall into each category. This structure included two top-performing categories (Exceptional and Strong) and two under-performing categories (Needs Improvement and Unacceptable). The categories as well as projected and actual distribution of ratings can be found in Table 1, below.

Table 1: 2013-14 Performance Rating Categories

Category	Esimated in recommendation	Actual
Exceptional	20% of staff	27% of staff
Strong	70% of staff	69% of staff
Needs Improvement	9% of staff	4% of staff
Unacceptable	1% of staff	0% of staff

Based on feedback gathered by Human Resources and from our own experience with last years' process, we recommend the following changes to the performance rating categories:

- *Discontinue "unacceptable" rating.*
    - We see no need to have two under-performing categories. We feel that staff members falling into this rating should either be "coached up" to acceptable performance or "coached out" of the College's employ. Additionally, in the model used last year, this category was not assigned as a rating for any staff member.
- *Add a new category between "needs improvement" and "strong".*
    - The subcommittee feels strongly that the lack of rating between these two categories misrates a significant number of staff members, likely skewing the ratings upward. We suspect that if given the option, a significant number of supervisors would have preferred to rate certain members of their staff something to the effect of "Meets Expectations".
    - We feel that there is an approving connotation to a "strong" rating and suspect that this rating was assigned to staff members who more accurately fit a "Meets Expectations" rating. As supervisors, many of us felt conflicted assigning a rating of "Strong" to staff members whose actual performance met expectations, but only just.
- *Change the names and projected distribution of the categories.*
    - To avoid confusion, unfounded continuation, or unnecessary discouragement with the rating categories, we suggest that all rating categories be re-named. Particularly the "strong" rating that so many received last year.
    - For example, in 2012-2013 someone performing consistently in their duties should have received the rating of "strong". If the categories were renamed

"needs improvement, good, strong, and exceptional" for the 2013-2014 evaluation period, this same level of performance would receive a rating of "good". We foresee this causing the impression that the staff member went down in rating.

In response to these recommendations, we propose the following ratings be used: A, B, C, D. By taking out adjectives altogether, we feel there is more clarity and less room for misinterpretation (and we are an educational institution, so it seems appropriate).

Regarding distribution, we feel it is important that the two top categories, A and B, represent less than half of the staff in order to preserve meaningful differences in the raise amounts between the categories – as reflected in Table 2, below.

We also feel that careful consideration be given to the ratings selected as to avoid the appearance of assigning value to a person rather than their performance, therefore other suggestions for categories names were discussed. These included:

- Needs Improvement, Good, Better, Best
- Needs Improvement, Strong, Very Strong, Exceptional
- Needs Improvement, Meets Expectations, Strong, Exceptional
- Needs Improvement, Good, Great, Exceptional
- 1, 2, 3, 4

Table 2: Recommended 2014-15 Rating Categories and Distribution Goals

Category	Estimated
A	15%
B	25%
C	55%
D	5%

Retirement Contribution

The college currently contributes 9.3% of salary to match employees' 5% contribution to a retirement fund. The college contribution is the same for both faculty and staff. Some years ago, there was discussion of increasing this contribution, but in the wake of the economic downturn this did not happen. Last year's compensation committee recommended that "the college re-commit to the goal of achieving a two-for-one match in the college's retirement plan for both staff colleagues and faculty members". As this year's committee, we concur with this goal.

We recommend that research be done to gather a complete set of statistics on what the college's 17 peer institutions contribute to retirement. Preliminary data gathered on comparable institutions indicates that CC is well behind the average at other schools, and probably near the bottom in terms of its contribution.

Based on this preliminary data, we recommend the college commit to increasing its contribution to retirement funds to 10% within about three years. This would require a relatively modest allocation of funds to the benefit pool to cover the additional expense. To estimate this expense, we calculate that 0.7% of faculty and staff salaries this year is $300,000. So to go from 9.3% to 10% college match in about three years would require an additional allocation to the benefit pool of about $100,000/year for three years.

Tiers within Positions

We continue to strongly recommend that as part of the new staff compensation system, tiers within positions (level 1, level 2, level 3) be created so that staff have a career path and a method to move up within the salary band of their position. This is consistent with the adopted compensation philosophy; specifically this pillar of the philosophy: "Promotes performance excellence and encourages career development and advancement by rewarding achievements and outcomes."

We understand and agree with finishing the compression and market adjustments first, but recommend that tiers within positions be the next part of this effort.

Respectfully submitted by the staff of the 2013-14 compensation committee.

Kathy Butler
Cecelia Gonzales
Kelley Mathers
Nathan Raugutt
Chad Schonewill
Brenda Soto

Appendix A

These charts are samples based on the current estimated CPI and assumptions of merit raise amounts. They are intended only to show the difference between the CoBGS + merit model, and the "floor" model:

Assumptions for example calculation purposes

- 9/12 - 9/13 CPI is 1.5%, so CoBGS would be appx. $345
- Merit raises are 4.25%, 3.0%, 1.75%, and 0% in the CoBGS + merit model
- Merit raises are 4.5%, 3.25%, 2.0%, and 0% in the "floor" model

Across-the-board CoBGS, Plus Merit

Note that the merit percentages are slightly lower in this model to account for the increased amount necessary to give CoBGS across the board. Again, the amounts are simply estimates to show the difference conceptually.

	Low (band 1): $25,000	Mid (band 4): $45,000	High (band 7): $85,000
A (4.25%)	$1,408 (5.63%)	$2,257 (5.02%)	$3,958 (4.66%)
B (3.0%)	$1,095 (4.38%)	$1,695 (3.77%)	$2,895 (3.41%)
C (1.75%)	$783 (3.13%)	$1,133 (2.52%)	$1,833 (2.16%)
D (0%)	$345 (1.38%)	$345 (0.76%)	$345 (0.4%)

"Floor" model (assuming floor of $1,000 like last year)

	Low (band 1): $25,000	Mid (band 4): $45,000	High (band 7): $85,000
A (4.5%)	$1,125 (4.5%)	$2,025 (4.5%)	$3,825 (4.5%)
B (3.25%)	$1,000 (4%)	$1,462 (3.25%)	$2,752 (3.25%)
C (2.0%)	$1,000 (4%)	$1,000 (2.22%)	$1,700 (2.0%)
D (0%)	$345 (1.38%)	$345 (0.76%)	$345 (0.4%)

Appendix B: Response to Staff Report

Dear Staff Compensation Committee,

Last semester, as a result of your charge to review current and proposed allocation of the salary pool as well as all benefits, including retirement programs for faculty and staff, you presented me with several proposals. After consulting with Robert Moore, Barbara Wilson, Sandra Wong and the Board of Trustees, I have decided the following:

I. **Staff Salary Pool 2014-15**

At our recent Board of Trustees meeting, the trustees approved my recommended FY15 budget. This budget included a 3% increase in the staff salary pool as well as $300,000 to complete our third year of market adjustments. Please remember that the market adjustments will take at least five years, and this year we are focusing our efforts to bring up employees in all bands to market.

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II. **Allocation of Staff Salary Pool**

Merit Pay Recommendations

- All acceptably performing staff members should receive a flat-dollar increase to pay for the Cost of Basic Goods and Services (CoBGS)
- Award additional merit increases to base pay of staff earning the top two performance rating Categories
- Adjust how CoBGS is calculated to be more consistent year after year.

Merit Pay Response

Similar to last year, we will use a market-based system. Just as with faculty, we compare our staff salaries to the appropriate peer group. We will continue to provide merit increases of 5% and 2.5% respectively for exceptional and strong performances. Individuals who receive a rating of needs improvement will receive CoBGS. Additionally, and consistent with last year, we have calculated the CoBGS based on the calendar year and we are using the minimum hourly rate. Please note that inflation for calendar year 2013 was 1.8% nationally and 1.5% in Colorado Springs.

Merit Pay Increases

Exceptional – 5% increase
Strong – 2.5% increase
Needs improvement – CoBGS ($353.60)
Unacceptable – No increase
Employees hired less than one year ago who receive an evaluation – CoBGS ($353.60)

III. **Additional Recommendations and Benefit Changes**

Other Recommendations

- The performance rating categories be renamed to more clearly reflect staff performance.
- Increase the college's contribution to retirement funds to 10% of annual salary.
- Explore the cost and feasibility of implementing "tiers" within staff positions.

Other Recommendations Response

I am in agreement that the names of performance rating should be revisited; however, this year, we will keep the same rating names to ensure consistency and data quality. Next year, I would welcome your thoughts and suggestions on renaming our categories.

Beginning July 1, the college's contribution for retirement funds will increase from 9.3% of annual salary to 9.5% of annual salary. We will continue to study this issue and see if we can make additional increases in the coming years. Beginning next year, we are lowering the mandatory age of participation from 30 to 29 for those who must contribute 5% of their annual salary to retirement.

Finally, tiers within position are a goal of the college; however, it is not one of our priorities for the coming fiscal year. We are still planning two more years of adjustments to bring all staff who are strong performers up to the market. It doesn't make sense to me to create these new tiers until we are paying competitively in our current system.

Additional Benefit Changes

Health insurance Contributions

- Both the college and the employee's health insurance contributions will increase by 3% in the coming fiscal year.

Emeriti Retirement Health Solutions

- The college contribution will increase by 4% while the employee contribution will remain constant.

Please let me know if you have any additional questions.

Best regards,
Jill

Jill Tiefenthaler
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Appendix C: Presentation on Staff Salaries

STAFF SALARIES

2014-15 Proposed Model

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2014-15 Comprehensive Fees

Colorado College's comprehensive fee for 2014-15 will be $57,162, an increase of 4.8% from 2014.

- 15 of CC's 17 peer institutions have set their fees and have a mean average of $58,609, which puts **CC near the bottom** of its peer group, nearly **$1,500 below the average** for the group.
- 8 out of the 10 aspirant institutions have set their fees and have an average of $59,592, which leaves CC near the bottom of this group.

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2013-14 Comprehensive Fee

PEERS	2014-15	2013-14	% Change
Trinity College	$61,806	$59,860	3.25%
Oberlin College	$61,788	$59,474	3.89%
Wesleyan University	$61,198	$59,884	2.19%
Vassar College	$61,140	$59,070	3.50%
Bates College	$60,720	$58,950	3.00%
Colgate University	$60,145	$57,890	3.90%
Hamilton College	$59,970	$57,790	3.77%
Bucknell University	$59,900	$58,160	2.99%
Lafayette College	$59,155	$57,050	3.69%
Kenyon College	$58,890	$56,810	3.66%
College of the Holy Cross	$58,042	$56,232	3.22%
Macalester College	$57,691	$55,456	4.03%
Colorado College	**$57,162**	$54,534	4.82%
Grinnell College	$56,617	$53,654	5.52%
Whitman College	$56,028	$54,400	2.99%

For 2014-2015 college revenue sources are….

Tuition and Fees	70%
Endowment Payout*	19%
Private Gifts/Grants	7%
Other	4%

* 13% of endowment payout funds salaries which provides 4.6% of the funding for staff salaries, leaving tuition to fund ***95.4% of the college's staff salaries.***

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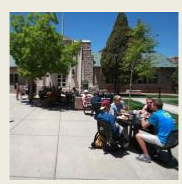
Institutional Resources



2014-15 Staff Salaries Base Budget

2013-14 Base Budget	$24,231,000
3% Pool Increase	$708,000
Market Adjustments	$300,000
2014-15 Base Budget	**$25,239,000**

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Funding the 2014-15 Model

Total to Distribute - $1,008,000

Merit

Market and Compression Adjustments

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2014-15 Proposed Staff Salary Merit Increases

Merit:

- ❑Needs Improvement –
  Cost of Basic Goods and Services (CBGS)$353.60*
- ❑Strong Performers – 2 .5%
- ❑Exceptional Performers – 5% Base Salary Increase

Merit increases added to base salary, unless salary is above band. Paid in lump sum in June.

Allocation model assumes approximately 20% of staff will be identified as exceptional performers.

** Applies to employees working 2080 hours/year. Employees hired January 1, 2014 – March 31, 2014 and receive an Exceptional or Strong evaluation will receive CBGS.*

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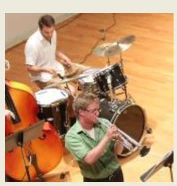
Market Adjustments




- ❑ Five year process to bring all staff to competitive market salaries.
- ❑ Year 1 distributed $250,000 to 55 staff who were below band minimum.
- ❑ Year 2 focused on:
  1. Alleviating compression in Bands 2 – 7.
  2. Increasing salaries of staff who are currently paid significantly below market for their position.
- ❑ Year 3 will focus on:
  1. Increasing salaries of staff who are currently paid significantly below market for their position
  2. Alleviating compression in all bands.

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Compression Increases

- Distributed to appropriate staff in bands 1 through 12.
- In addition to merit increases.

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Band Structure Adjustments

- All bands will be adjusted upward by 2%
- This means both the minimum and the maximum for the band will increase by 2%.

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Bonuses

- May be paid to a staff member for unprecedented meritorious performance.
- Decided by cabinet member in conjunction with President.
- Will be paid in July.

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Example A

13-14 Base Salary $28,500
+
Exceptional Performance
Merit Increase(5%)
$1,425
+
Compression Increase
of 1% $285

New Salary $30,210
6% Increase

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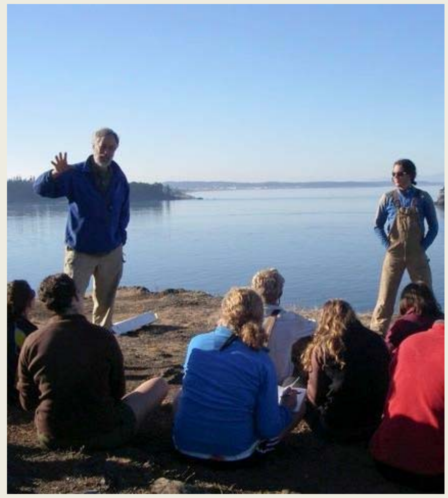
Example B

13-14 Base Salary	$45,000
+	
Strong Performance	
Merit Increase of 2.5%	$1,130
+	
Market Increase	$1,000
New Salary	$47,130
	4.8% Increase



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2014-15 Benefits

- Retirement
  - College's contribution will increase from 9.3% to 9.5%
  - Mandatory participation age will change from 30 to 29.
- Insurance premiums will only increase 3% for both the college and the employee
- Medical coverage for transgender services
  - The college's medical plan now includes hormone therapy, counseling services, and usual and customary surgical procedures retroactive to March 1, 2013.

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Medical Insurance - Employee Only

Employee Only	Medical Insurance Monthly Premium		Cost Differential From Prior Year		
	FY14	FY15	Year	Per Month	Per Pay Period
Employee Pays	*$103.34*	*$106.44*	*$37.20*	*$3.10*	*$1.55*
College Pays	*$413.36*	*$425.76*	*$148.80*	*$12.40*	*$6.20*
Total	*$516.70*	*$532.20*	*$186.00*	*$15.50*	*$7.75*

**Full-time 12 month employee.*

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Medical Insurance – Family Coverage

Family Coverage	Medical Insurance Monthly Premium		Cost Differential From Prior Year		
	FY14	FY15	Year	Per Month	Per Pay Period
Employee Pays	*$294.52*	*$303.56*	*$108.48*	*$9.04*	*$4.52*
College Pays	*$1178.07*	*$1213.41*	*$424.08*	*$35.34*	*$17.67*
Total	*$1472.59*	*$1516.97*	*$532.56*	*$44.38*	*$22.19*

**Full-time 12 month employee.*

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Appendix D: Faculty Report

Report of the 2013-2014 Faculty Salary Committee

November 4, 2013

To: Jill Tiefenthaler, Sandi Wong, Robert Moore, Members of the Faculty Executive Committee, Members of the Budget Committee

From: Faculty Compensation Committee, i.e., faculty members of the Compensation Committee, Professors Susan Ashley, Marie Davis-Green, Tass Kelso, Sam Williams, and Kristine Lang (chair)

Re: Faculty salary allocation

This report is the first draft of a set of recommendations from the 2013-2014 faculty salary committee. We intend to present this report at a special faculty meeting in fall 2013 to solicit further input. We also intend to consider input from the AAUP committee. Finally, we may receive input from the budget committee or officers of the college. We will issue a final report by block 5 after we consider these discussions.

After consideration of the charge of our committee and subsequent to discussion with the Dean, we concluded that our committee should focus on allocation of the funds available to faculty salaries rather than on the percent increase in those funds. The exact percent increase in the faculty salary line will be recommended by the budget committee as they consider allocation of funds among various competing needs. For the purposes of discussing faculty salary allocation, at the suggestion of the Dean, we considered that the faculty salary line will increase by about 3%.

Faculty Salary Pool

Before turning to recommendations for allocation of the 3% increase, we address our recommendations for the faculty salary pool as a whole. We view it as essential for the college to maintain the basis of the current faculty salary system, a distinct segregated pool for faculty salaries. In the faculty salary pool any savings from faculty retirements or empty tenure track lines remain in the pool to cover faculty salary expenses. The most important function of these savings is to cover progression increases to faculty salaries. This means that even in a year when the college might have minimal or no additional funds to add to the faculty salary pool, such as during the recent economic downturn, progression for faculty salaries could still be funded from retirement savings in the pool.

To maintain a sustainable faculty salary pool requires that additional funds be transferred to the pool to cover any new charges to the pool. Several such circumstances are described below.

- If new tenure track lines are created, sufficient funds must be allocated to the pool to cover the full cost of these lines. This must include an additional allocation above the salary of the lines to ensure adequate funding for progression.
- If there is no mandatory retirement age for faculty and the average retirement age for faculty increases (as we suspect it has over the last years), then either the faculty needs to consider ending progression after a period in the full professor rank or funds must be allocated to the faculty salary pool to cover the increase in retirement age. We encourage the Dean's Office to do some modeling in order to determine the amount that needs to be added.

- When the college increases the amount available for faculty salaries those funds must remain in the faculty salary pool henceforward in order to ensure its integrity. So the 3% increase suggested for this year would be allocated to the pool and remain there in subsequent years.

We view the faculty salary pool as fundamental to the current faculty salary model, a system developed and approved by the faculty in the early 1980s. Any change in this or any other component of the model would need to be brought to the faculty for discussion and approval.

Funding Objectives

For the purposes of discussing faculty salary pool allocation, at the suggestion of the Dean, we considered that the faculty salary pool will increase by about 3% for FY 2014-2015. We identify several objectives for use of the funds represented by this increase. We discuss each in turn below.

Objective: meet the average salaries of our peers

For some years we have compared our faculty salaries to those at a select group of peer institutions, most recently a list of 17 colleges. Table 1 gives those comparisons by rank for the preceding (2012-2013), current (2013-2014), and forthcoming (2014-2015) academic years.

For some years assistant and associate professor salaries have been significantly lower at CC than at our peer institutions. In 2012/13 assistant professors lagged the mean by 3.7% and associates by 2.5%. Full professors were 6.9% above the mean that year.

Some years ago the faculty decided to recommend closing this gap and the college made progress in meeting that goal. The economic downturn impeded this progress, however, and the gap remained. The 2012-2013 compensation committee recommended that we recommit to this goal, saying that "additional funds devoted to the salary pool over and above the increase in the CPI would be devoted to address discrepancies between Colorado College average and assistant and associate professor salaries and comparable salaries at our peer institutions."

The substance of this recommendation (although not the details of implementation suggested by the 2012/13 committee) was followed for 2013/14 salaries. In 2013-2014, assistant and associate professors at CC received raises much larger than those projected at our peer schools, thereby moving them significantly toward the average of our peers. As seen in Table 1, assistant professors now lag the mean by about 1% while associate professors exceed it by about 1%. Since full professors also received a raise above that of our peers, they continue to gain as compared to our peers. Our salary system seeks to avoid compression, especially where it commonly occurs-- at the higher ranks. Since compression is common at other institutions, the fact that professorial salaries at CC exceed the average indicates that the system achieves this goal.

This year's compensation committee recommends a continuation of the policy to compare our salaries to the mean of our peers. In particular we recommend that assistant and associate professors salaries at least meet, and preferably exceed, the mean at our peer institutions. In these ranks, and especially at the assistant level, we are competing for hires and retention, and salary is a realm where we should be competitive. Full professors' salaries currently well exceed the mean at our peer institutions. Without adding too much to compression, we could slow increases at the full professor rank and use the savings to rectify the difference at the lower ranks.

Average Salaries	Colorado College	CC % change from prev. year	17 Peer Institutions	Peer % change from prev. year*	CC Deviation from Mean
2012-2013					
Assistant	$67,300	4.3%	$69,900	3.3%	-3.7%
Associate	$85,000	3.8%	$87,200	3.1%	-2.5%
Full	$126,600	3.7%	$118,400	2.3%	6.9%
2013-2014					
Assistant	$71,400	6.1%	$72,200	3.3%	-1.1%
Associate	$90,700	6.7%	$89,900	3.1%	0.9%
Full	$130,800	3.3%	$121,100	2.3%	8.0%
2014-2015					
Assistant	$75,500	5.7%	$74,600	3.3%	1.2%
Associate	$93,700	3.3%	$92,700	3.1%	1.1%
Full	$132,900	1.6%	$123,900	2.3%	7.3%

Table 1: Comparison of CC's average salary by rank to our 17 peer institutions. For some years assistant and associate professor salaries have been significantly lower at CC than at our peer institutions as seen in 2012/13 data. By giving larger raises to assistant and associate professors at CC as compared to our peer schools, significant progress was made in moving CC's salaries toward the average by 2013/14. Since full professors were also given a raise higher than our peers, they continue to gain as compared to the peers even though they are ahead of the mean.
Source of data: Presentation by Jill Tiefenthaler at April 2013 faculty meeting (Appendix 1) and "Colorado College Faculty Salaries Compared with Seventeen Peer Institutions" compiled by Lyrae Williams from data published in the Chronicle of Higher Education (Appendix 2). *2013/14 and 2014/15 "Peer % change from previous year" data was not available when this document was produced so 2012/13 numbers were used. 2014/15 "CC % change from previous year" represents this committee's suggestions.

In Table 1, we offer suggestions for % increase in the salary pool by rank that would move us toward these previously stated goals in 2014/15. For assistant professors, who still slightly lag the mean, we suggest the largest percent increase (5.7%), well above that projected for our peers (3.3%). For associate professors we suggest an increase slightly above that of our peers (3.3% vs. 3.1%), and for full professors we suggest an increase somewhat below that projected for our peers (1.6% vs. 2.3%).

Alternatively, we could commit funds for a bracket adjustment. The adjustment would increase the brackets for assistant and associate professors more than for full professors. The adjustment comes to faculty members as a sum added to their base salaries. The amount for bracket adjustment could be less for full professors, particularly those with more years in rank.

	# faculty in rank (2013-2014)	2013-2014 average salary	2013-2014 total pool	2014-2015 suggested increase	2014-2015 average salary	2014-2015 total pool
Assistant	55	$71,400	$3,930,000	5.7%	$75,500	$4,150,000
Associate	53	$90,700	$4,810,000	3.3%	$93,700	$4,970,000
Full	68	$130,800	$8,890,000	1.6%	$132,900	$9,040,000
total salary pool			$17,630,000			$18,160,000
salary pool increase from previous year						$530,000
salary pool % increase from previous year						3.0%

Table 2: Effect of 2013/14 compensation committee suggestions for rank based salary pools on the overall salary pool.

At this point, it is worth noting that the percent increase in the salary pool is not the same as the raise received by each faculty member. Since each faculty member benefits both from the increase in the salary pool and their movement within the salary brackets, the raise for a given faculty member will exceed the increase in the pool. So for example in 2013/14, each assistant professor received an 8.5% raise (see Appendix 1); while the pool only increased by 6.1%. This discrepancy between raises and the pool can exist because retiring faculty members' salaries fund progression.

Table 2 shows the effect of our suggested increases in the rank based salary pools on the overall salary pool. As suggested by the Dean, we considered a total increase in the pool at 3%. Table 2 shows that we devised our percentages by rank such that the total increase in the salary pool came out to be 3%.

Objective: increase size of extraordinary merit payments

Before we commence with this section, we wish to establish a common nomenclature. Faculty salaries have traditionally been increased with an across the board adjustment (cost of living), progression (sometimes called "merit"), and extraordinary merit. Faculty who "meet the College expectations overall" (per Dean Wong in correspondence to this committee) receive the across the board raise plus progression. In practice this is almost everyone. So the percent increase in the salary pools discussed in the previous section, would apply to almost everyone and would represent both cost of living and progression. Extraordinary merit is defined as an increase either in base salary or as a bonus over and above the cost of living and progression increases.

The 2012/13 compensation committee recommended that 1% of the salary pool, about $165,000, be dedicated to extraordinary merit. They suggested about 1/3 of the 167 member faculty would potentially qualify for these increases which implies an approximately $3,000 merit based payment to each. The 2012/13 compensation committee further recommended that the merit increases be paid to base salary.

The 2012/13 AAUP committee strongly objected to putting the extraordinary merit increases to base on a variety of grounds including whether a faculty member should be awarded over an entire career for a singular achievement and whether our assessment of merit is adequate.

In the end for 2013/14, the Dean and President decided to award $34,800 extraordinary merit awards to 36 people as a one-time bonus for an average bonus of about $1000. This conforms with historical trends. Looking at four years of data from 2009-2013, on average 31 faculty received an average bonus of about $1000 each.

The debate over extraordinary merit reflects a fundamental philosophical difference between different parts of our community. Essentially last year's compensation committee was arguing for a much more substantively merit- based pay system than we currently have; while the AAUP committee was arguing for continuing our very egalitarian system. We recommend a compromise between these two philosophies.

In a nod to increasing recognition of merit, we recommend substantially increasing the size of the extraordinary merit awards. We feel that an average award of about $3000, with awards ranging from about $1000 - $5000 depending on the achievement would be appropriate. In a nod to the egalitarian side, we recommend that these awards be paid as a one-time bonus.

Our rationale is as follows. We recognize that the assessment system for deciding what is extraordinary merit is not perfect; however not paying the awards to base means if the "system" makes a mistake it is a one-time mistake. We also realize the college has limited funds. Paying the awards as a bonus speaks to that concern. However, if we have the bonus system but provide larger awards, the college can provide meaningful recognition for achievements that may have been many years in the making. Faculty contribute to the college community for their own professional satisfaction, but the college can have a positive impact in sustaining these efforts by offering recognition through substantive extraordinary merit bonuses.

We support the current system of evaluating extraordinary merit in a given year, as best as possible, on the merits of the faculty rather than in terms of a quota. It is helpful however to have an estimate for how much these extraordinary merit awards might cost, and for that we need to know about how many we might expect in a given year. Taking 2013/14 as an example, 36 awards were given out of 84 faculty reviewed that year (half of the faculty reviewed each year). So using this data, an estimate for the number of faculty who might receive an award in a given year is perhaps 1 in 3 faculty reviewed. This is also the fraction of faculty that last year's compensation committee suggested as reasonable, and we of this year's committee concur. With an average award of $3000, the yearly cost would then approximately be $36 * 3000 \approx \$100,000$.

We need to find additional funding for enhanced awards. Per Dean Wong, the awards are currently "funded from the accumulation of salary savings from both faculty and staff vacant positions." Perhaps this is a sustainable funding source for the larger awards we advocate here, but if not, we discussed how these awards might be funded and offer the following suggestions.

First, a portion of the faculty salary pool could be designated for extraordinary merit awards. This portion could be built up over a number of years so that in any one year only a small amount ($25,000?) would be allocated to this purpose. Then the next year another $25,000 and so on. In this way there would be an "extraordinary merit line" built into the faculty salary pool that would increase proportionally with it each year, without substantially sacrificing funds for cost of living and progression in any one year. Since we have substantially met our goals of achieving equitable salaries with our peer institutions, some funds that have formerly been allocated to that purpose could be reallocated to funding the extraordinary merit pool. For example, a minor readjustment to Tables 1 and 2 shows that decreasing the percent increase to the salary pools by 0.1% at each rank (so they are 5.6%, 3.2% and 1.5% for 2104/15) frees up about $25,000 that could start the extraordinary merit line in 2014/15.

Second, perhaps these funds could be raised by Advancement. Several of us have recently been approached by Advancement to discuss opportunities for targeted fund raising. Extraordinary merit awards could be attractive to donors, and an extraordinary merit pool could thereby be reinforced.

Objective: raise the college's contribution to retirement funds

The college currently contributes 9.3% of salary to match employees' 5% contribution to a retirement fund. The college contribution is the same for both faculty and staff. Some years ago, there was discussion of increasing this contribution , but in the wake of the economic downturn this did not happen. Last year's compensation committee recommended that "the college re-commit to the goal of achieving a two-for-one match in the college's retirement plan for both staff colleagues and faculty members".

We recommend that research be done to gather a complete set of statistics on what the college's 17 peer institutions contribute to retirement. Preliminary data gathered on comparable institutions indicates that CC is well behind the average at other schools, and probably near the bottom in terms of its contribution.

Based on this preliminary data, we recommend the college commit to increasing its contribution to retirement funds to 10% within about three years. This would require a relatively modest allocation of funds to benefit pool to cover this additional expense. To estimate this expense, we calculate 0.7% of the faculty and staff salaries this year to be about $300,000. So to go from 9.3% to 10% college match in three years would require an additional allocation to the benefit pool of about $100,000/year for three years.

Objective: greater transparency and an appeals process in faculty performance and salary review

Last year's compensation committee recommended that "the faculty performance review process should have greater transparency" and further that "it should also include a straightforward appeals process." We on this year's committee concur with both these recommendations.

Along these lines we appreciate the transparency evident this past year in both the President's presentation about faculty salaries in spring 2013 and the information about salary increases included on faculty salary letters. We encourage the continuation of both practices.

We would also like to see the establishment of some type of informal appeals process whereby faculty can inquire of the Dean about the decision made in their case. Particularly in light of any increase in the size of the extraordinary merit payments, such a process provides a corrective should a substantial faculty achievement be overlooked.

We suggest asking faculty members with concerns to submit a written request for reconsideration to the Dean explaining factors that may have been overlooked, to be followed by a meeting with Dean to discuss the request. We suggest a statement be inserted at the conclusion each faculty member's salary letter every year explaining this informal appeals process.

Appendix 1

COLORADO COLLEGE

FACULTY SALARIES

2013-14 Proposed Model and AAUP Comparison

COLORADO COLLEGE

2013-14 Comprehensive Fees

Colorado College's comprehensive fee for 2013-14 will be $54,534, an increase of 5.95% from 2013.

- 13 of CC's 17 peer institutions have a mean average of $56,467, which puts **CC at the bottom** of its peer group nearly **$2,000 below the average** for the group.
- 8 out of the 10 aspirant institutions have an average of $57,383, which leaves CC at the bottom of this group.

COLORADO COLLEGE

2013-14 Comprehensive Fee

PEERS	2013-14	2012-13	% Change
Wesleyan University	$59,884	$58,202	2.89%
Oberlin College	$59,474	$57,025	4.29%
Vassar College	$59,070	$57,070	3.50%
Bates College	$58,950	$57,235	3.00%
Bucknell University	$58,160	$56,190	3.51%
Hamilton College	$57,790	$55,620	3.90%
Colby College	$57,510	$55,700	3.25%
Lafayette College	$57,050	$54,988	3.75%
Kenyon College	$56,810	$54,760	3.74%
College of the Holy Cross	$56,232	$55,130	2.00%
Macalester College	$55,456	$53,419	3.81%
Colorado College	$54,534	$51,470	5.95%
Grinnell College	$53,654	$50,618	6.00%
Sewanee - U. of the South	$45,970	$44,630	3.00%

For 2013-2014 college revenue sources are….

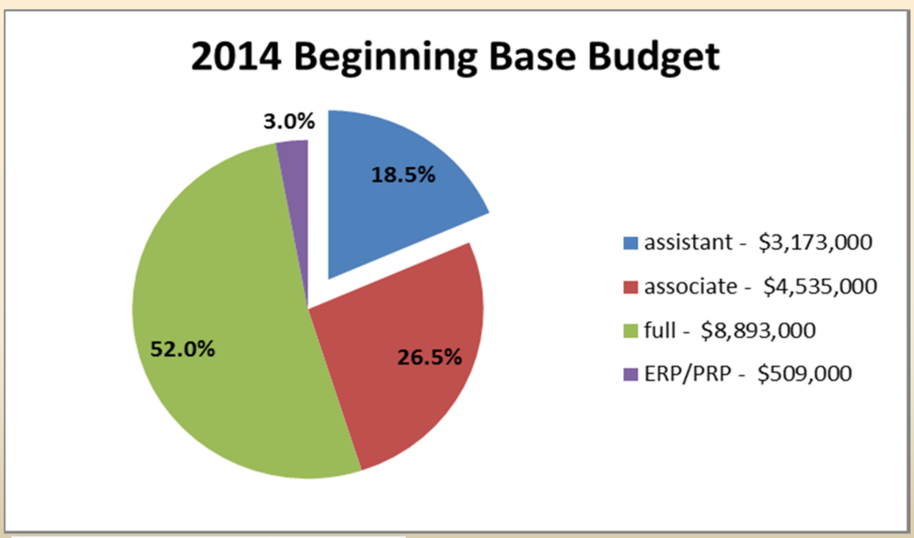
Tuition and Fees	70%
Endowment Payout*	19%
Private Gifts/Grants	7%
Other	4%

* 13% of endowment payout funds salaries which provides 7% of the funding for salaries, leaving tuition to fund ***93% of the college's salaries.***

Institutional Resources

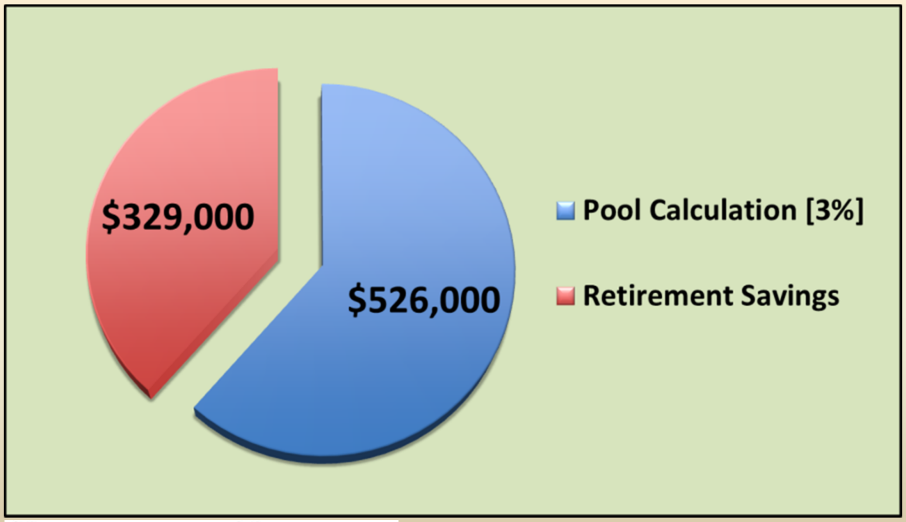
COLORADO COLLEGE

2013-14 Faculty Salaries



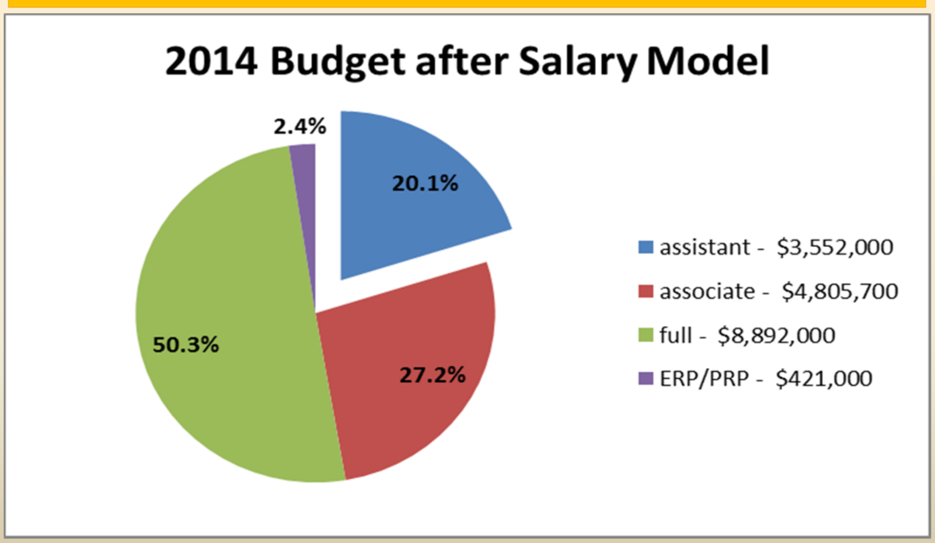
COLORADO COLLEGE

Funding the 2013-14 Model



COLORADO COLLEGE

2014 Faculty Salaries (con't)



COLORADO COLLEGE


2014 Proposed Faculty Salary Model

2.0% inc... to... es... lated to inflation)

Me...

Extraordinary Merit will be in addition !!

TOTAL INCREASE

Assistant Professor – 8.5%

Associate Professor – 6.5%

Full Professor – 3.0%

... tiered based on years in rank. 10-15 years are eligible ... 15 years will be eligible for 1.0%

COLORADO COLLEGE

AAUP Comparison

2012-13

Average Salaries	Colorado College	Peer Institutions	CC Deviation from Mean
Assistant	$67,300	$69,935	-3.80%
Associate	$85,000	$87,218	-2.50%
Full	$126,600	$118,447	6.90%

COLORADO COLLEGE

Projected AAUP Comparison

2013-14

Average Salaries	Colorado College	Peer Institutions *	CC Deviation from Mean
Assistant	$71,391	$72,732	-1.80%
Associate	$90,655	$90,707	-0.10%
Full	$130,842	$123,185	6.20%

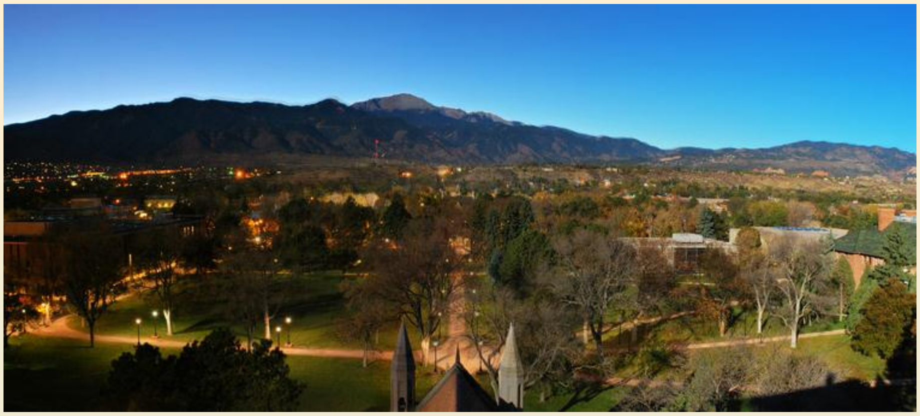
* Assumes the average change amongst the peers is 4.0% by rank.

COLORADO COLLEGE

2012-13 Compared to 2013-14

RANK	Average Base Adjustment		Average Merit		% Change from Prior Year	
	FY14	FY13	FY14	FY13	FY14	FY13
Assistant	*$1,361*	*$594*	*$4,450*	*$2,062*	*8.50%*	*5.36%*
Associate	*$1,711*	*$738*	*$3,585*	*$1,976*	*5.95%*	*4.83%*
Full	*$2,541*	*$1,103*	*$1,258*	*$2,530*	*2.99%*	*3.43%*

COLORADO COLLEGE



In 2013-14 Colorado College will make significant progress in faculty salaries by rank as compared to the average of its peers.

COLORADO COLLEGE

Appendix 2
Colorado College Faculty Salaries Compared with Seventeen Peer Institutions*
2010-11, 2011-12 and 2012-13

	Professor					Associate					Assistant				
Institution	2010-11	2011-12	*% Chg †*	2012-13	*% Chg †*	2010-11	2011-12	*% Chg †*	2012-13	*% Chg †*	2010-11	2011-12	*% Chg †*	2012-13	*% Chg †*
Bates College	116,600	118,400	*1.5*	120,400	*1.7*	82,400	83,900	*1.8*	86,000	*2.5*	68,800	69,100	*0.4*	69,300	*0.3*
Bucknell University	110,900	110,300	*-0.5*	110,800	*0.5*	82,800	84,100	*1.6*	85,900	*2.1*	73,900	73,000	*-1.2*	75,300	*3.2*
Colby College	121,200	124,100	*2.4*	126,600	*2.0*	87,300	90,000	*3.1*	92,800	*3.1*	69,500	70,300	*1.2*	74,300	*5.7*
Colgate University	129,000	130,700	*1.3*	133,000	*1.8*	91,500	92,700	*1.3*	93,900	*1.3*	69,800	68,500	*-1.9*	70,300	*2.6*
College of the Holy Cross	118,200	120,300	*1.8*	122,300	*1.7*	85,200	85,200	*0.0*	87,000	*2.1*	68,600	70,100	*2.2*	71,800	*2.4*
Colorado College	**118,900**	**122,100**	***2.7***	**126,600**	***3.7***	**79,800**	**81,900**	***2.6***	**85,000**	***3.8***	**63,900**	**64,500**	***0.9***	**67,300**	***4.3***
Grinnell College	110,400	112,400	*1.8*	110,500	*-1.7*	82,500	83,700	*1.5*	85,600	*2.3*	65,200	66,600	*2.1*	68,100	*2.3*
Hamilton College	114,600	120,600	*5.2*	125,000	*3.6*	85,700	89,500	*4.4*	92,800	*3.7*	67,400	72,000	*6.8*	70,900	*-1.5*
Kenyon College	94,500	95,400	*1.0*	101,400	*6.3*	69,400	70,300	*1.3*	76,400	*8.7*	59,400	60,900	*2.5*	64,600	*6.1*
Lafayette College	121,800	124,800	*2.5*	127,300	*2.0*	88,800	90,400	*1.8*	93,300	*3.2*	69,700	71,200	*2.2*	72,300	*1.5*
Macalester College	111,300	111,600	*0.3*	113,300	*1.5*	83,600	85,600	*2.4*	86,400	*0.9*	67,300	69,200	*2.8*	70,300	*1.6*
Oberlin College	112,600	113,100	*0.4*	113,900	*0.7*	86,100	86,600	*0.6*	88,700	*2.4*	62,800	64,500	*2.7*	67,200	*4.2*
Occidental College	112,300	118,300	*5.3*	122,000	*3.1*	79,800	82,900	*3.9*	84,100	*1.4*	63,400	64,600	*1.9*	64,700	*0.2*
Sewanee - U of the South	97,400	94,600	*-2.9*	95,300	*0.7*	72,700	73,000	*0.4*	73,900	*1.2*	60,400	60,500	*0.2*	60,200	*-0.5*
Trinity College	112,100	116,100	*3.6*	119,000	*2.5*	82,900	84,500	*1.9*	87,300	*3.3*	65,300	65,100	*-0.3*	70,500	*8.3*
Vassar College	121,000	125,400	*3.6*	128,900	*2.8*	89,400	91,400	*2.2*	94,600	*3.5*	68,900	72,200	*4.8*	79,200	*9.7*
Wesleyan University	130,200	129,200	*-0.8*	133,700	*3.5*	85,200	86,200	*1.2*	90,200	*4.6*	71,200	72,400	*1.7*	76,300	*5.4*
Whitman College	103,500	103,600	*0.1*	110,200	*6.4*	79,700	78,700	*-1.3*	83,800	*6.5*	63,800	61,300	*-3.9*	63,600	*3.8*
Mean (excluding CC)	113,976	115,818	*1.6*	118,447	*2.3*	83,235	84,629	*1.7*	87,218	*3.1*	66,788	67,735	*1.4*	69,935	*3.3*
CC Deviation from Mean	**4.3%**	**5.4%**		**6.9%**		**-4.1%**	**-3.2%**		**-2.5%**		**-4.3%**	**-4.8%**		**-3.8%**	

Source: The American Association of University Professors (AAUP), via *The Chronicle of Higher Education Online*

*Figures provided are rounded to the nearest hundred, as published in the Chronicle

†Percent change as compared with the previous year

Appendix E: Queries in Response to December 2013 Faculty Meeting

Information requested from the Dean as a result of
Tuesday December 3 Faculty Compensation Meeting

Black = compensation committee's questions
Blue = dean's response

1. Are there defined salary *brackets* for each faculty rank? A bracket is defined as a normative range for the rank which would clearly be related to, but is not defined by, all the salaries in the rank. Some individuals at a given rank may fall outside the brackets for varying reasons, thereby increasing the *range* of salaries for that rank beyond the bracket.

   For 2013-14 salaries, we did not use the bracket model that has been used in the past. As explained in our October document, we allocated different percentage increases (for merit) to faculty in each rank.

2. If the answer to question 1 is yes, what are the top and bottoms of the brackets (not ranges) for each faculty rank? If the top of the full professor bracket is hard to define, we suggest defining it as the average salary for professors who have been 21 (or some other defined number) years in full professor rank. We believe that brackets should be public knowledge; whereas, range may be withheld for privacy reasons.

   The attached document indicates the mean and median salaries for professors in each rank.

3. At the faculty meeting, there was a lengthy discussion about the distribution of salaries within the ranks, particularly at the full professor rank. In particular, there is concern that high outliers are pulling the mean full professor salary up and giving a false impression of the salaries of the majority of full professors. Currently this committee has available to it only the mean salary by rank which does not allow us to make any data driven recommendations about distribution within ranks. We request data which would allow us to address these concerns, such as:
   a. histogram of salary by rank. If the bins on the histogram were fairly broad this would assure anonymity. The top bin could be labelled "salaries above $X". (Histograms are in attached documents)
   b. average salary by rank and then by quartile (i.e. average salary for bottom quarter of full professors, average salary for next to bottom quarter of full professors and so on) *(averages by rank and quartile are included in attached document)*
   c. median salary by rank (Median salaries for each rank are in attached document)
   d. How is the mean we were given calculated? Does it include **all** faculty at the full professor rank or does it exclude any outliers, administrators etc? The mean salaries that were previously provided were those that AAUP calculated for CC based on data sent into the AAUP. Data sent into the AAUP by all institutions for faculty salaries are as follows:

- Salaries and number of all members of the instructional/research staff who are employed full-time and whose major (at least 50%) regular assignment is instruction, are reported to the AAUP to provide both a headcount of full-time faculty as well as average salaries by level.

- Faculty on sabbatical leave are reported at their regular salaries even if receiving a reduced salary while on leave.

- Visiting faculty replacing those on leave without pay and filling in FT vacant tenure-track positions are reported provided that their contract is full time and at least 50% of their assignment is instruction.

- Faculty members who are not employed on full-time contracts and administrative officers with titles of dean, associate or assistant dean are not included.

- Total salaries by level are then divided by the number of incumbents on each level to obtain the average.

4. Faculty were concerned about how decisions regarding faculty salaries were being made. In the past Fred Tinsley of the math department was involved in modeling faculty salaries. Since Fred is no longer doing this modeling, who is? Lyrae Williams, Asst. Vice President for Institutional Planning and Effectiveness, is doing our modeling.

5. Given the recommendation of this committee to increase extraordinary merit payments, there was a request to clarify the criteria and decision-making process that lead to these awards.

The process of decision-making begins with the chairs and directors of departments and programs. Each fall, we distribute chair evaluation forms and faculty self-report forms for salary reviews. We have included these documents to explain the criteria we ask faculty to address in their reports. Pre-tenure faculty are reviewed each year. Tenured faculty are reviewed every other year depending on where the first letter of their department's name falls in the alphabet (A-F or G-Z). Chairs make a salary recommendation for each faculty member being reviewed based on the latter's vitae, self-report, and a comparative analysis of the department's achievements.

As reported in my responses to the committee's questions last fall, awards of extraordinary merit totaled $34,800. Thirty-six people received extraordinary merit awards ranging from $500 - $1500.

Divisional executive committees consider excellence in teaching, scholarly productivity and achievement, and service to departments and programs, to the College, and to the profession.

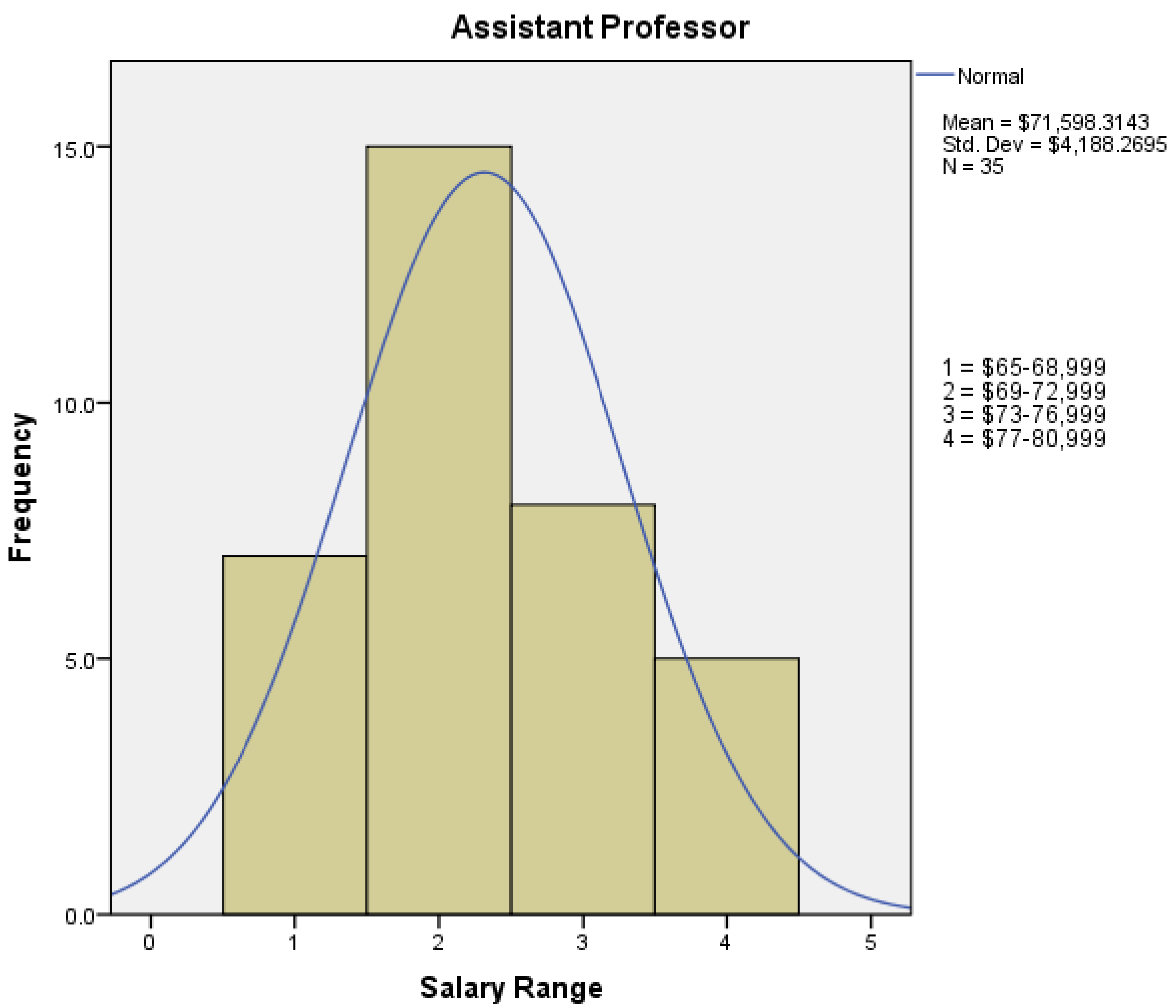
As the NSEC noted last year, teaching is difficult to assess because there is variation across departments with respect to what is reported and what kinds of evidence are presented. Some departments use a standardized course evaluation and chairs compare faculty based on these results. Some chairs refer to course evaluations they have reviewed or to an award a faculty member received (such as the Ray Werner award). Chairs and committees take into account factors such as: whether a faculty member designed new courses or significantly revised existing courses, ways they enhanced students' learning opportunities or drew students into a major, taught courses that involved and unusual set of challenges or an extraordinary amount of time and engagement, contributed to FYE and interdisciplinary programs, worked extensively with students including advising, supervising theses and projects, overloads, and other indicators that a faculty member has done more than what the College expects. As indicated in our self-report guidelines, we encourage faculty to distinguish between what they do routinely and what is distinctive.

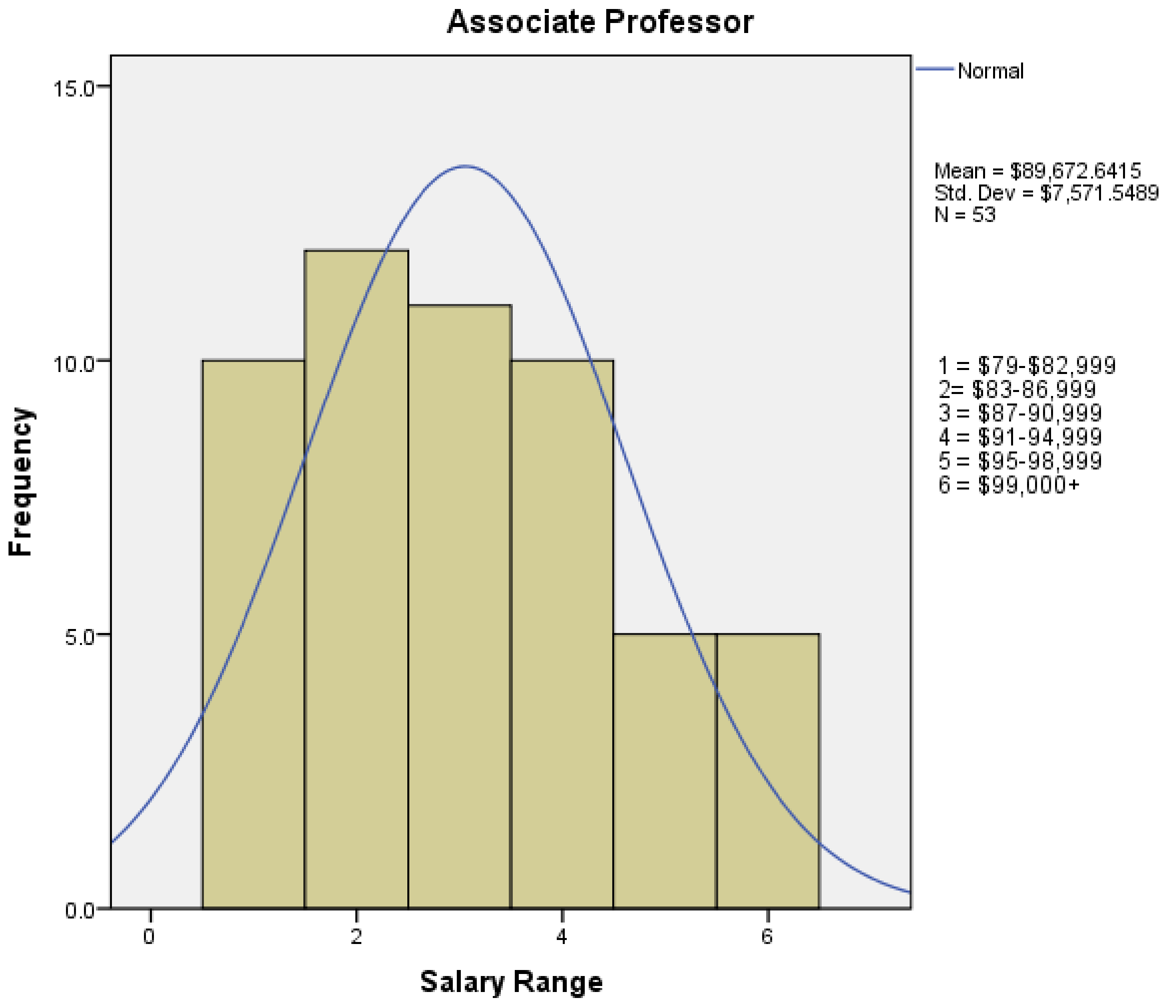
Scholarly productivity includes volume of completed work, such as the publication of a book or several articles or chapters, performances and creative projects, external grants, ongoing projects, and presentations.

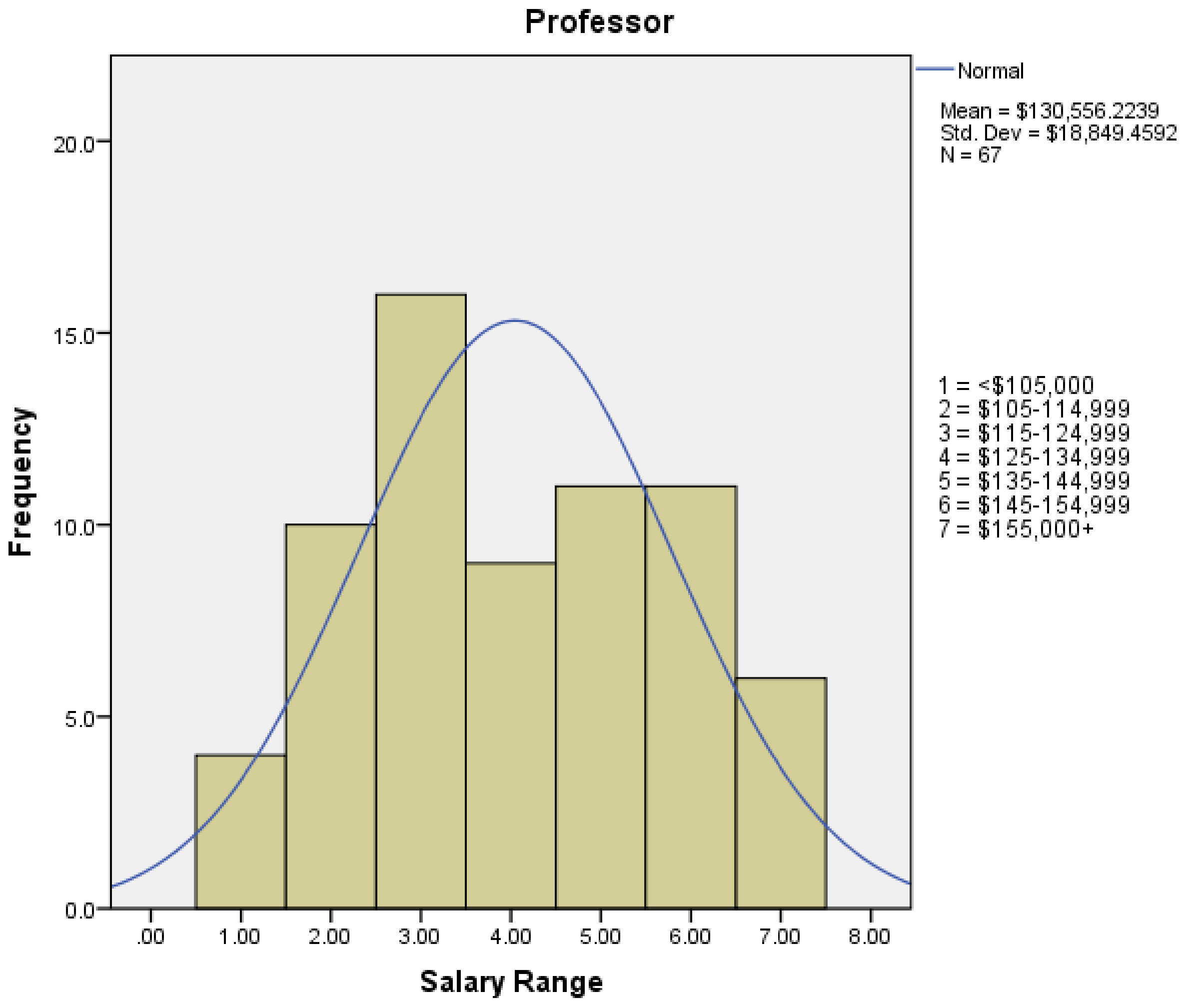
Both chairs and divisional committees usually award merit for expected service (such as membership on a college committee), but recommend extraordinary merit for service that is above and beyond the call of duty. The latter might include completing service as Chair of a department, service on multiple committees and/or programs, unusual contributions to a department or one's professional association, leadership roles, labor-intensive committee work or work on a special project.

The dean and associate dean of the faculty read all recommendations from chairs and executive committees and all self-reports. We work separately and reach conclusions on our own, and then meet to discuss our recommendations. We discuss differences in our recommendations as well as differences between the recommendations of chairs, divisional committees and deans. We then reach a decision. Faculty who receive extraordinary merit may be stronger in some areas than in others, so two individuals who receive $1000 in extraordinary merit may have different areas or combinations of areas that deserve recognition.

Faculty Salary Histograms by Rank (AY 2013-14)




Associate Professor
Normal
Mean = $89,672.6415
Std. Dev = $7,571.5489
N = 53
1 = $79-$82,999
2= $83-86,999
3 = $87-90,999
4 = $91-94,999
5 = $95-98,999
6 = $99,000+
Frequency
15.0
10.0
5.0
0.0
0
2
4
6
Salary Range


Professor
Normal
Mean = $130,556.2239
Std. Dev = $18,849.4592
N = 67
1 = <$105,000
2 = $105-114,999
3 = $115-124,999
4 = $125-134,999
5 = $135-144,999
6 = $145-154,999
7 = $155,000+
Frequency
20.0
15.0
10.0
5.0
0.0
.00
1.00
2.00
3.00
4.00
5.00
6.00
7.00
8.00
Salary Range

Colorado College
2014 Faculty Salaries
Averages, Medians, Quartiles and Ranges
Excludes Visitors, Part-time, Lecturer, Adjunct,
Early/Phased Retirees and Dean/Associate Deans

Rank	Average	Median	Count
Assistant	$71,598.31	$71,132.00	35
Associate	$89,558.39	$88,561.50	54
Full	$130,556.22	$128,830.00	67

Quartiles [a]	Assistant	Associate	Full
Top	$77,138.22	$99,439.43	$155,047.06
Second	$72,472.78	$91,377.71	$136,735.71
Third	$69,703.11	$86,189.29	$122,252.53
Bottom	$66,791.33	$81,448.00	$107,452.29

[a] With the count in each rank, the quartiles are not even. For the Assistant and Full ranks, the bottom quartile includes the lowest salary in the third quartile. For the Associate rank, both the second and third quartile includes the lowest salary from the higher quartile.

RANGES (using a 3% pool model)

	Years in Rank
Assistant	6
Associate	8
Full	21

Assistant		
	Year 1	$65,000
	Year 6	$75,354
Associate		
	Year 1	$77,615
	Year 8	$95,455
Full		
	Year 1	$98,319
	Year 21	$177,575

Appendix F: Presentation on Faculty Salaries

FACULTY SALARIES

2014-15 Proposed Model and AAUP Comparison

COLORADO COLLEGE

2014-15 Comprehensive Fees

Colorado College's comprehensive fee for 2014-15 will be $57,162, an increase of 4.82% from 2013-14.

- 15 of CC's 17 peer institutions have a mean average of $58,719, which puts **CC in the bottom quartile** of its peer group nearly **$1,600 below the average** for the group.
- 7 out of the 10 aspirant institutions have an average of $59,739, which leaves CC at the bottom of this group.

COLORADO COLLEGE

2014-15 Comprehensive Fee

PEERS	2014-15	2013-14	% Change
Trinity College	$61,806	$59,860	3.25%
Oberlin College	$61,788	$59,474	3.89%
Wesleyan University	$61,198	$59,884	2.19%
Vassar College	$61,140	$59,070	3.50%
Bates College	$60,720	$58,950	3.00%
Colgate University	$60,145	$57,890	3.90%
Hamilton College	$59,970	$57,790	3.77%
Bucknell University	$59,900	$58,160	2.99%
Lafayette College	$59,155	$57,050	3.69%
Kenyon College	$58,890	$56,810	3.66%
College of the Holy Cross	$58,042	$56,232	3.22%
Macalester College	$57,691	$55,456	4.03%
Colorado College	**$57,162**	$54,534	4.82%
Grinnell College	$56,617	$53,654	5.52%
Whitman College	$56,028	$54,400	2.99%

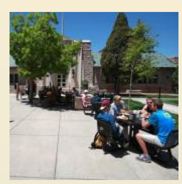
For 2014-15 college revenue sources are….

Tuition and Fees	**70%**
Endowment Payout*	**19%**
Private Gifts/Grants	**7%**
Other	**4%**

* 13% of endowment payout funds salaries which provides 7% of the funding for salaries, leaving tuition to fund ***93% of the college's salaries.***

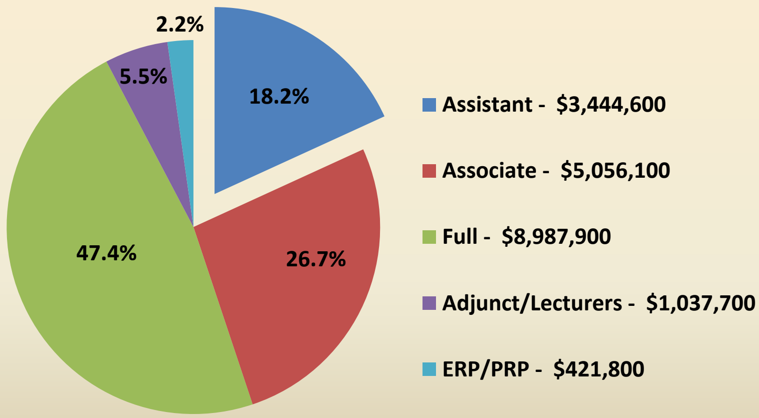
COLORADO COLLEGE

Institutional Resources



2013-14 Faculty Salaries

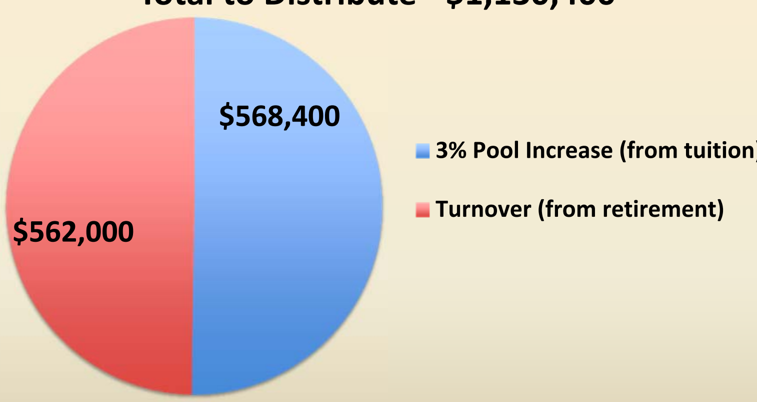
2013-14 Base Budget - $18,948,100



COLORADO COLLEGE

Funding the 2014-15 Model

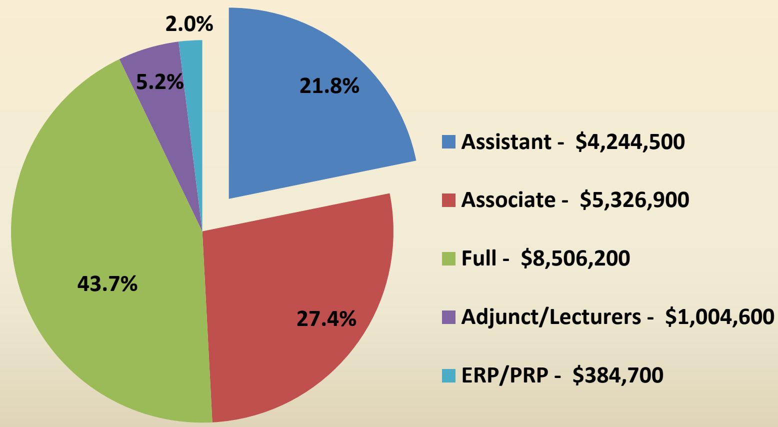
Total to Distribute - $1,130,400



COLORADO COLLEGE

2014-15 Faculty Salaries

2014-15 Allocation after Proposed Increases - $19,466,900



COLORADO COLLEGE

2014-15 Proposed Faculty Salary Model

2.0% ATB increase to base salaries (inflation 1.5%)

Merit:

- Assistant Professors - 6.0%
- Associate Professors - 3.5%*
- Full Professors – 1.5%

TOTAL INCREASE

Assistant Professor – 8.0%

Associate Professor – 5.5%

Full Professor – 3.5%

** Associate Professors' merit will be tiered based on years in rank: 10-15 years are eligible for 2.5% and 15+ years are eligible for 1.5%*

COLORADO COLLEGE

AAUP Comparison

2013-14

Average Salaries	Colorado College	Peer Institutions	CC Deviation from Mean
Assistant	$70,900	$71,347	-0.60%
Associate	$89,100	$89,229	-0.10%
Full	$129,700	$120,776	7.40%

COLORADO COLLEGE

Projected AAUP Comparison

2014-15

Average Salaries	Colorado College	Peer Institutions *	CC Deviation from Mean
Assistant	$74,858	$74,858	0.88%
Associate	$95,124	$95,124	2.45%
Full	$134,008	$125,607	6.27%

* Assumes the average change amongst the peers is 4.0% by rank.

COLORADO COLLEGE

2013-14 Compared to 2014-15

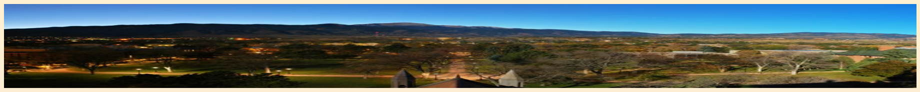
RANK	Average Base Adjustment		Average Merit		% Change from Prior Year	
	FY15	FY14	FY15	FY14	FY15	FY14
Assistant	*$1,377*	*$1,361*	*$4,131*	*$4,450*	*8.32%*	*8.50%*
Associate	*$1,806*	*$1,711*	*$3,030*	*$3,585*	*5.27%*	*6.09%*
Full	*$2,605*	*$2,541*	*$1,947*	*$1,258*	*3.50%*	*3.10%*

COLORADO COLLEGE

2014-15 Benefit Improvements

- **Retirement**
  - College's contribution will increase from 9.3% to 9.5%
  - Mandatory participation age will drop from 30 to 29
- **Healthcare** premiums will only increase 3% for both the college and the employee
- **Transgender Benefits**
  - College's employee health coverage now offers some transgender benefits retroactive to March 1, 2013.
  - Some of the benefits include hormone therapy, counseling services, and some surgical procedures.
- **Emeriti** contributions will not increase for the employee; the college's contribution will increase 4%

COLORADO COLLEGE



Building on the Block: Our Progress

Workplace Excellence

Attract and Retain a diverse faculty and staff

- Competitive salaries
- Competitive and Quality Benefits

COLORADO COLLEGE

Appendix G: Compensation Committee Block 5 Minutes

Compensation Committee
Block 5, 2014 Meeting Minutes
Thursday January 23

On the agenda was a single topic: discuss and decide on our recommendations for the long term disability and sick leave accrual policies for staff and faculty.

A few background facts. Currently 576 employees are on the long term disability policy. If the college were to pay for this, it would cost $162,000 per year if the benefit stayed the same.

The “norm” for other institutions, according to Robert, is for the employer to provide personal time, then employees pay for a short term disability policy (STD) and employers pay for a long term disability policy (LTD). The STD kicks in as soon as all the accrued leave is exhausted.

We had a lengthy discussion about all aspects of sick leave, long term disability and short term disability policies at CC. The discussion was informed by the following goals.

1. Ideally all staff, hourly and salaried, would have a uniform sick leave policy. This is currently not the case.
2. Ideally an employee who was sick would have a salary from some source for entire 6 month period preceeding the start of the long term disability benefit, perhaps excluding some employees who had not been at the college very long (with the definition of “very long” unclear).

In addition, a straw poll taken of the staff members at the meeting indicated that they would prefer to have personal time (combined sick and vacation) in lieu of separate accruals for sick and vacation time.

With these thoughts in hand, we developed the following grid that contains both the current situation and our recommendations going forward.

Respectfully submitted by Kristine Lang

	Current Situation Hourly Employee				Current Situation Salaried Employee				Recommended Situation All Employees				
	accrual	cap	paid by	benefit	accrual	cap	paid by	benefit	accrual	cap	paid by	benefit	
Vacation	4 hrs/pay period	44 days	CC	n/a	7 hrs/pay period	44 days	CC	n/a	n/a	n/a	n/a	n/a	
Sick Leave	4 hrs/pay period	60 days	CC	n/a	infinite	none	CC	n/a	n/a	n/a	n/a	n/a	
Personal	up to 3 days sick as personal per year	n/a	CC	n/a	n/a	n/a	n/a	n/a	hourly ~6 hrs/pay period salaried ~8 hrs/pay period	2 years accrual, ~36 days	CC	n/a	
STD	supplemental sick leave = 1 month/year of service	6 months	CC, self-insured	100 % of salary, taxable	case by case decision of up to six months coverage		CC, self-insured	100 % of salary, taxable	1 month/year of service	6 months	CC, consider self-insured vs. outside insurance	100 % of salary, taxable	consider both scenarios in terms of who pay STD and LTD
LTD	after 6 months illness, benefit paid and employee terminated	n/a	employee	60% of salary, tax-exempt	after 6 months illness, benefit paid and employee terminated	n/a	employee	60% of salary, tax-exempt	after 6 months illness, benefit paid and employee terminated	n/a	employee (so benefit remains tax exempt)	60% of salary, tax-exempt	

	Current Situation Faculty			
	accrual	cap	paid by	benefit
Vacation	n/a	n/a	n/a	n/a
Sick Leave	n/a	n/a	n/a	n/a
Personal	n/a	n/a	n/a	n/a
STD	case by case decision of up to six months coverage	6 months	CC, self-insured	100 % of salary, taxable
LTD	after 6 months illness, benefit paid and employee terminated, (except under special circumstance for tenured faculty)	n/a	employee	60% of salary, tax-exempt

Appendix H: Compensation Committee Block 7 Minutes

Compensation Committee
Block 7, 2014 Meeting Minutes
Thursday March 27, 2014

We discussed the following topics:

1. Consideration of sick leave accrual and use policy for staff together with long term disability insurance- follow on from Block 5 meeting.

Barbara looked up some statistics about usage of sick leave. 95% of the 214 hourly/non-exempy staff took at least one sick day in the past year. There are 240 exempt staff. Since there is no accounting of sick days it is unknown how many took sick days. 13 of the exempt staff used extended medical leave, which includes those using it for parental leave.

Robert looked into this topic some more and found that there isn't really any norm or usual practice for which policies and how much is paid by the employer for short and long term disability. Given this situation, and the magnitude of the change recommended by this committee at our block 5 meeting, he and Barbara feel more input is necessary before making such large changes. They will hold focus groups over the summer to gather this input, particularly with exempt staff since their policy would change the most.

2. Start-up funds for faculty

We preface this section with the clear statement that start-up funds are peripheral to the main focus of the work of this committee since they are neither compensation nor benefits, but rather are a one-time offering of funds from the college to a new faculty member to start his/her research program upon hiring. They are typically used for equipment, including computers, supplies, access to databases, and other research expenses, but never for faculty salaries or benefits. This topic is related to our committee's work only because start-up funds are part of a hiring package, which includes of course compensation and benefits, for new faculty hires, and start-up funds are one of the ways that Colorado College competes to hire the best faculty possible.

To provide baseline data on this issue, Lyrae Williams and paraprofs in the president's office did a survey of start-up funding and policies at our 17 peer institutions. They surveyed the 435 Assistant Professors at those institutions in the following fields: anthropology, art, biology, chemistry, computer science, economics, geology, math, physics, and psychology. They received 148 completed responses for a 34% response rate. The survey instrument is included at the end of this document. The primary result of this survey, a table of start-up funds disaggregated by discipline is also included at the end of this document. This table may be useful for department chairs as they hire in those departments. The dataset also includes a wealth of information about policies governing start-up funds at these schools.

The compensation committee discussed the issue of start-up funds with this data in hand. However, upon doing so, it became clear that this is not the appropriate group to provide a complete set of recommendations on this issue. Rather, what is needed is a more focussed group of faculty, preferably involving a number of junior faculty, to discuss this further and offer substantive recommendations not only on amounts of start-up funds, but also on policies governing start-up funds. So our primary recommendation is that this issue be taken up by another more appropriate committee- perhaps the

Dean's Advisory Committee or the (to be established) External Grants Advisory Committee- who can fully utilize the extensive dataset to generate recommendations regarding start-up funds at CC.

Previous paragraphs of dissembling notwithstanding, the compensation committee did generate several thoughts regarding start-up funds that we share here. Looking at the table of start-up funds and comparing them to start-up funds offered over the last five years at CC (data not included here due to privacy concerns) it is clear that
1. CC's mean start-up packages are lower than those at our 17 peer schools, comprising between 50-80% of the mean start-up packages at those 17 peer schools depending on the field.
2. The high end of start-up funds at our peer schools by far exceed anything that CC has offered, or would probably be prepared to offer, meaning if a good candidate presented with start-up needs equivalent to the high packages at our comparable schools, we would be entirely unable to effectively compete for that candidate on start-up funds. This led to the idea that a start-up reserve fund may be needed, in addition to a regular line-item, to accommodate such a candidate.

3. Differential salaries by field for faculty

President Tiefenthaler asked the chair of the committee to discuss the issue of whether CC should have differential salaries, particularly at hire, in different fields. At our block 7 meeting, the faculty members of the compensation committee discussed this topic. There were four (of five total on the committee) faculty members present during this discussion.

Three of the four faculty members were opposed to differental salaries under any circumstances, with the primary concern being the cost to morale of a non-egalitarian salary structure. The consensus among those faculty was that equal salaries between fields says something about our community valuing everyone's contributions equally. There were also concerns that high salaries in certain fields might not yield faculty sufficiently devoted to undergraduate teaching. The fourth faculty member sees the validity of these concerns, but felt that the reality is that the market dictates salaries being higher in some fields, and to offer competitive salaries may be necessary to ensure quality candidates in those fields. By looking back at recent hires in fields so affected, it may be possible to determine whether this is the case.

In the face of these thoughts, the chair of the committee posed a thought experiment: suppose we could prove that some departments cannot hire the quality of candidates that we expect at CC given a salary constrained by having equal salaries between fields. Are you in this case still opposed to offering a higher salary to candidates in this field? Three of the four faculty members in attendance replied affirmatively, with one of those replying that it would be preferable to eliminate those fields from our hires rather than have differential salaries. The fourth faculty member replied negatively, feeling that in this case differential salaries would be necessary.

Respectfully submitted by Kristine Lang

Start-up Funds Survey

Q1 What is your academic department?
- ❑ Physics
- ❑ Chemistry
- ❑ Biology
- ❑ Psychology
- ❑ Geology
- ❑ Economics
- ❑ Anthropology
- ❑ Art
- ❑ Environmental Science
- ❑ Mathematics
- ❑ Computer Science
- ❑ Other

Q2 Did you receive start-up funds?
- ❍ Yes
- ❍ No

Q9 If you received start-up funds, please list the dollar amount.

Q3 If applicable to your field, are you considered an experimental/laboratory scientist or a theoretical scientist?
- ❍ Experimental
- ❍ Theoretical
- ❍ Both
- ❍ Neither
- ❍ Not Sure

Q4 Are there institution-wide policies concerning the use of start-up funds?
- ❍ Yes
- ❍ No
- ❍ Unsure

Q10 What are the institution-wide policies concerning the use of start-up funds? Please give a brief summary or link to the policies. (500 characters or less)

Q5 Are there any relevant departmental policies that apply to start-up funds?
- ❍ Yes
- ❍ No
- ❍ Unsure

Q11 What are the departmental policies concerning the use of start-up funds? Please give a brief summary or link to the policies. (500 characters or less)

Q6 Are there time limitations regarding the use of start-up funds?
- ❍ Yes
- ❍ No
- ❍ Unsure

Q12 What are the time limitations? (500 characters or less)

Q7 Are there parameters concerning what start-up funds can be spent on?
- ❍ Yes
- ❍ No
- ❍ Unsure

Q13 What are the parameters? Please provide a brief summary or link to the parameters. (500 characters or less)

Start-up Funds by Field and Research Type

	N	Mean	Median	High	Low
Anthropology	**9**	**15,777**	**8,000**	**67,000**	**2,000**
Both	*2*	35,000		67,000	3,000
Neither	*4*	10,000	8,000	20,000	4,000
Unsure	*2*	15,000		25,000	5,000
Art	**5**	**10,000**	**7,000**	**25,000**	**5,000**
Neither	*3*	9,333	6,500	16,500	5,000
Unsure	*2*	16,000		25,000	7,000
Biology*	**25**	**99,268**	**100,000**	**230,000**	**30,000**
Experimental	*24*	98,820	100,000	230,000	30,000
Chemistry	**20**	**107,773**	**100,000**	**300,000**	**20,000**
Experimental	*15*	100,053	100,000	300,000	20,000
Theoretical	*3*	113,217	104,650	150,000	85,000
Both	*2*	157,500		265,000	50,000
Computer Science	**8**	**32,875**	**30,000**	**72,000**	**16,000**
Experimental	*3*	44,000	30,000	72,000	30,000
Theoretical	*2*	30,000		40,000	20,000
Neither	*2*	27,500		35,000	20,000
Economics	**20**	**18,800**	**10,000**	**2,000**	**140,000**
Experimental	*2*	22,500		25,000	20,000
Theoretical	*4*	14,250	10,000	35,000	5,000
Neither	*10*	24,800	20,000	140,000	2,000
Unsure	*3*	7,000	7,000	10,000	4,000
Geology	**3**	**88,667**	**100,000**	**100,000**	**66,000**
Mathematics	**13**	**13,730**	**11,000**	**30,000**	**2,000**
Theoretical	*10*	14,250	15,000	30,000	4,000
Physics	**10**	**56,500**	**50,000**	**125,000**	**10,000**
Experimental	*4*	68,750	70,000	125,000	30,000
Theoretical	*4*	42,500	50,000	100,000	10,000
Both	*2*	60,000		90,000	30,000
Psychology	**15**	**66,400**	**63,000**	**250,000**	**5,000**
Experimental	*15*	66,400	63,000	250,000	5,000
Other	**6**	**18,333**	**4,000**	**80,000**	**2,000**
Experimental	*2*	50,000		80,000	20,000
Neither	*4*	2,500	2,000	4,000	2,000

Note: Approximations given are treated as actual figures. Table excludes fields and subsections where n ≤ 1. In cases where respondents did not list research type, responses were classified as Unsure.

*One Biology (Experimental) respondent specified that $40,000 were dispersed outright, with an additional $25K contingent on submission of external grant request for remainder of start-up needs, however only the $40,000 were considered here.

Prepared by the Office of Institutional Planning & Effectiveness
March 17, 2014