

Faculty colleagues,

The Compensation Committee would like to re-commit ourselves to the goal of matching the median salary of our peer institutions at every rank of the professorate.

Using two benchmark groups of peer institutions, confirmed by our own IRB as representing the 21 peer institutions that our Board of Trustees would like to see us emulate, we propose salaries for 2011-12 based on the following model.

- a) We retain the precise structure of the current faculty salary model, with progression through the ranks.
- b) We collected average salaries for each professorial rank at 21 institutions for 2009-10. That group, hereafter the Trustees21, is a list of 7 current peers, 7 aspirant peers, and 7 budgetary peers (based on endowment size).  
Peers: Colby, Colgate, Hamilton, Kenyon, Macalester, Oberlin, Occidental, Trinity, Whitman  
Aspirant: Amherst, Carleton, Davidson, Grinnell, Middlebury, Pomona, Williams  
Endowment: Bates, Bowdoin, Bucknell, Claremont, Haverford, Vassar, Wesleyan
- c) Costs of living at each institution clearly differ, based on their location. It is 9% cheaper to live in Grinnell, Iowa than it is here, but it is 20% more expensive to live in Claremont, California. We used cost-of-living data on each institution's zipcode from [www.relocationessentials.com](http://www.relocationessentials.com) to calculate what each institution's average salary would be, at each rank, if translated into comparable income here in Colorado Springs.
- d) Recognizing that the salary data collected from our peers are two years old compared to our proposal (2010-11 is ongoing, and we are proposing salaries for 2011-12), we inflated each peer salary by two years' worth of price increases as measured by the September-August rolling average CPI-U calculation, 2008-10. That gives us the contemporaneous salaries that we estimate our peers will give to their faculty in 2011-12.
- e) Finding the median of our peer set using these data now gives us the "cost-of-living-adjusted, predicted contemporaneous median of our peer group".
- f) Our proposal suggests that we aspire to meet the median of the Aspirant7 peer group at every rank. If that is not financially viable, we propose to meet the median of the Trustees21 peer group with a commitment to work toward the median of the Aspirant7 over the next 3 years.

Minor adjustments are required at the edges of each rank, to ensure that they do not overlap (i.e. that advanced assistant professors do not get promoted to find a lower salary as new associate professors). Those adjustments were made to ensure the integrity of the overall structure, while maintaining the primary goal of salary offers competitive to our peers at every rank.

The Compensation Committee strongly encourages all input.

Respectfully,

Dan Johnson (chair) on behalf of the faculty members of the Compensation Committee

### Proposal H: Matching the COL-corrected predicted contemporaneous median of Trustees' 21 at every rank

		Actual 2009-10				Proposed raises		Proposed 2011-12				
rank	number of faculty	years spent in rank	average in rank	bottom of rank	top of rank	From Peers	From Progression	average in rank	bottom of rank	top of rank	Raise without progression (%)	Raise with progression (%)
instructor	8	2	\$58,614	\$53,793	\$59,225	\$0	\$1,811	\$58,614	\$53,793	\$59,225	0.00	3.09
assistant	37	6	\$66,920	\$59,577	\$71,709	\$2,744	\$1,804	\$69,664	\$62,020	\$74,649	4.10	6.80
associate	42	8	\$80,156	\$71,308	\$85,993	\$3,847	\$1,491	\$84,003	\$74,730	\$88,150	4.80*	6.66
full	75	21	\$117,928	\$85,816	\$139,205	\$943	\$2,333	\$118,871	\$89,000	\$140,318	0.80*	2.78
<b>total</b>	162	35	\$95,023									
<b>College cost</b>			\$15,156,104					\$15,489,973			<b>Estimated total cost to College budget (%)</b>	<b>2.20</b>

### Proposal J: Matching the COL-corrected predicted contemporaneous median of Aspirant 7 at every rank

		Actual 2009-10				Proposed raises		Proposed 2011-12				
rank	number of faculty	years spent in rank	average in rank	bottom of rank	top of rank	From Peers	From Progression	average in rank	bottom of rank	top of rank	Raise without progression (%)	Raise with progression (%)
instructor	8	2	\$58,614	\$53,793	\$59,225	\$1,348	\$1,852	\$59,962	\$55,031	\$60,588	2.30	5.46
assistant	37	6	\$66,920	\$59,577	\$71,709	\$3,413	\$1,869	\$70,333	\$62,615	\$75,700	5.10*	7.89
associate	42	8	\$80,156	\$71,308	\$85,993	\$2,886	\$1,420	\$83,042	\$75,869	\$88,650	3.60*	5.37
full	75	21	\$117,928	\$85,816	\$139,205	\$2,712	\$2,428	\$120,640	\$89,000	\$142,406	2.30*	4.36
<b>total</b>	162	35	\$95,023									
<b>College cost</b>			\$15,156,104					\$15,617,789			<b>Estimated total cost to College budget (%)</b>	<b>3.05</b>