



Memo

To: Budget Committee
From: Margaret McFadden, Douglas Terp
Date: February 17, 2021
Subject: 2019-20 NESCAC AAUP Salary Information

Each year Colby participates in the AAUP's survey of salary and total compensation practices at colleges and universities in the United States. Of particular interest to both the College and the faculty has been Colby's position relative to similar NESCAC institutions. We are able to report that Colby's overall standing in salary remains competitive and average salaries are commensurate with Colby's endowment per student.

Nationally, Colby's average salaries are in the top 5 percent of all baccalaureate colleges for professors and in the top 10 percent for associates, assistants, and "all ranks" average.

Colby's average salaries within the similar NESCAC comparison group have been around the mid-point in recent years, as was the case in 2019-20. The attached charts and tables summarize the comparison of salary averages by rank and by all ranks combined for the 2019-20 academic year.

These data were provided to Colby by the AAUP, which collects and publishes faculty salary data each year.

It is important to note that beginning with the 2019-20 academic year, the AAUP stopped collecting benefit cost information used to calculate average total compensation—the total of salary and benefits—thus eliminating the total compensation comparisons previously reported.

The "all" average is calculated by the AAUP and weights the ranks differently for each school using the actual distribution across the ranks and includes instructors, lecturers, and unranked faculty. The "balanced" data shown in the charts and tables were compiled by Colby using an equal one-third distribution of faculty across the ranks of professor, associate professor, and assistant professor (the actual distribution at Amherst is 50 percent professor, 18 percent associate, and 32 percent assistant while Colby is 36 percent professor, 30 percent associate, and 34 percent assistant). We believe that using an equal one-third distribution also provides an appropriate comparison measure over time because it standardizes for rank composition and, therefore, reflects only salary and total compensation differences across institutions.

In addition to the AAUP data, the charts and tables include endowment-per-student values for each institution as of June 30, 2019. Because each institution relies on endowment income to support educational programs, endowment values provide a valuable comparison of institutional resources available to support faculty compensation.

Colby's overall faculty salaries remain very competitive nationally and average salaries have been in the middle ranks of the NESCAC group in recent years. Colby's standing will, however, vary from year to year due to changes in the composition of the AAUP faculty census, the distribution of faculty among the merit "classes" in each three-year cycle, and differences among peer institutions in turnover and time in rank. For example, the retirement of long-service professors or the hiring of assistant professors can significantly impact an institution's reported average salary.

While most institutions instituted pay freezes in the midst of the pandemic, it is too soon to know how institutions may alter compensation strategy in the near-term or over longer periods of time. The Budget Committee, the senior administrative staff, and the Board of Trustees recognize the need to provide a competitive compensation package to continue recruiting and retaining excellent faculty and staff.

(over, please)

Current financial projections assume resuming merit increases next year with funding for additional market and other adjustments subject to the annual budget process. The College will carefully review faculty compensation as it updates long-range financial forecasts.

We hope that you find the information provided in the attached materials useful.



