

AAUP Salary Proposals

August 2006

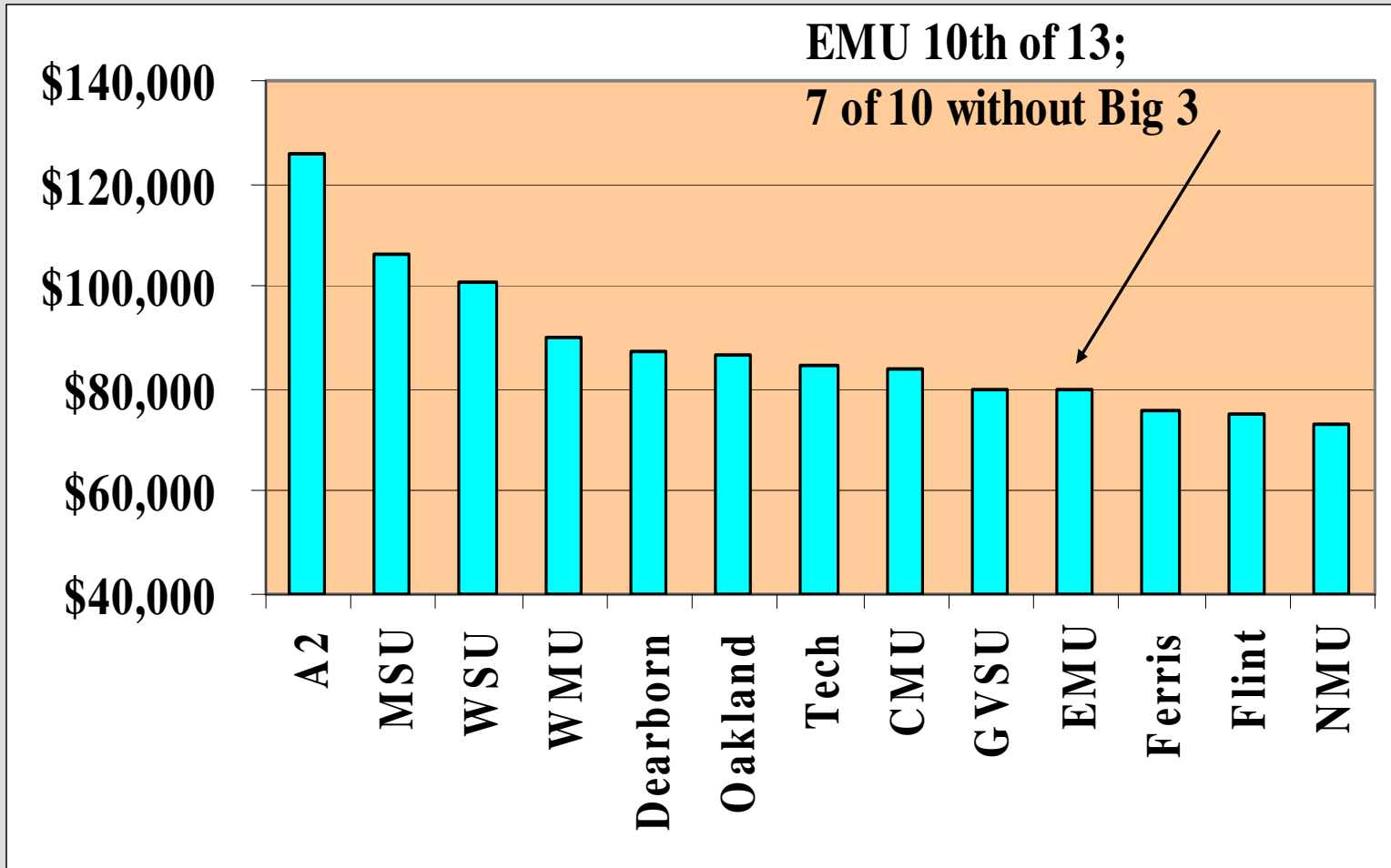
EMU Versus Michigan Public Universities (Source: National AAUP)

SALARIES	PR	AO	AI	IN	AR
U of M Ann Arbor	125,600	83,700	72,800	61,000	91,400
Michigan State University	105,900	76,400	60,200	35,800	82,000
Wayne State University	100,500	76,300	61,700	56,000	75,600
Western Michigan	89,800	68,100	53,700	42,600	68,900
U of M Dearborn	87,100	67,900	63,100		68,300
Oakland University	86,300	66,300	57,700	45,800	67,000
Michigan Tech	84,400	66,000	61,800	32,600	67,800
Central Michigan	84,100	64,900	52,300	35,200	65,400
Grand Valley	80,200	61,600	48,300	40,500	55,300
Eastern Michigan University	79,900	64,300	55,900	53,500	63,300
Ferris State	76,000	61,300	53,000	49,700	61,500
U of M Flint	75,000	61,900	55,300	46,800	57,000
Northern Michigan	72,800	56,200	47,100	38,800	58,200
EMU RANK	10/13	9/13	7/13	3/12	9/13
Average (w/o EMU)	88,975	67,550	57,250	44,073	68,200
EMU Versus Average	(9,075)	(3,250)	(1,350)	9,427	(4,900)
% EMU Below Average	-10%	-5%	-2%	21%	-7%

Michigan Publics without Big 3

SALARIES	PR	AO	AI	IN	AR
Western Michigan	89,800	68,100	53,700	42,600	68,900
U of M Dearborn	87,100	67,900	63,100		68,300
Oakland University	86,300	66,300	57,700	45,800	67,000
Michigan Tech	84,400	66,000	61,800	32,600	67,800
Central Michigan	84,100	64,900	52,300	35,200	65,400
Grand Valley	80,200	61,600	48,300	40,500	55,300
Eastern Michigan University	79,900	64,300	55,900	53,500	63,300
Ferris State	76,000	61,300	53,000	49,700	61,500
U of M Flint	75,000	61,900	55,300	46,800	57,000
Northern Michigan	72,800	56,200	47,100	38,800	58,200
EMU RANK	7/10	6/10	4/10	1/9	6/10
Average (w/o EMU)	81,744	63,800	54,700	41,500	63,267
EMU Versus Average	(1,844)	500	1,200	12,000	33
% EMU Below Average	-2%	1%	2%	29%	0%

EMU Versus Michigan Publics

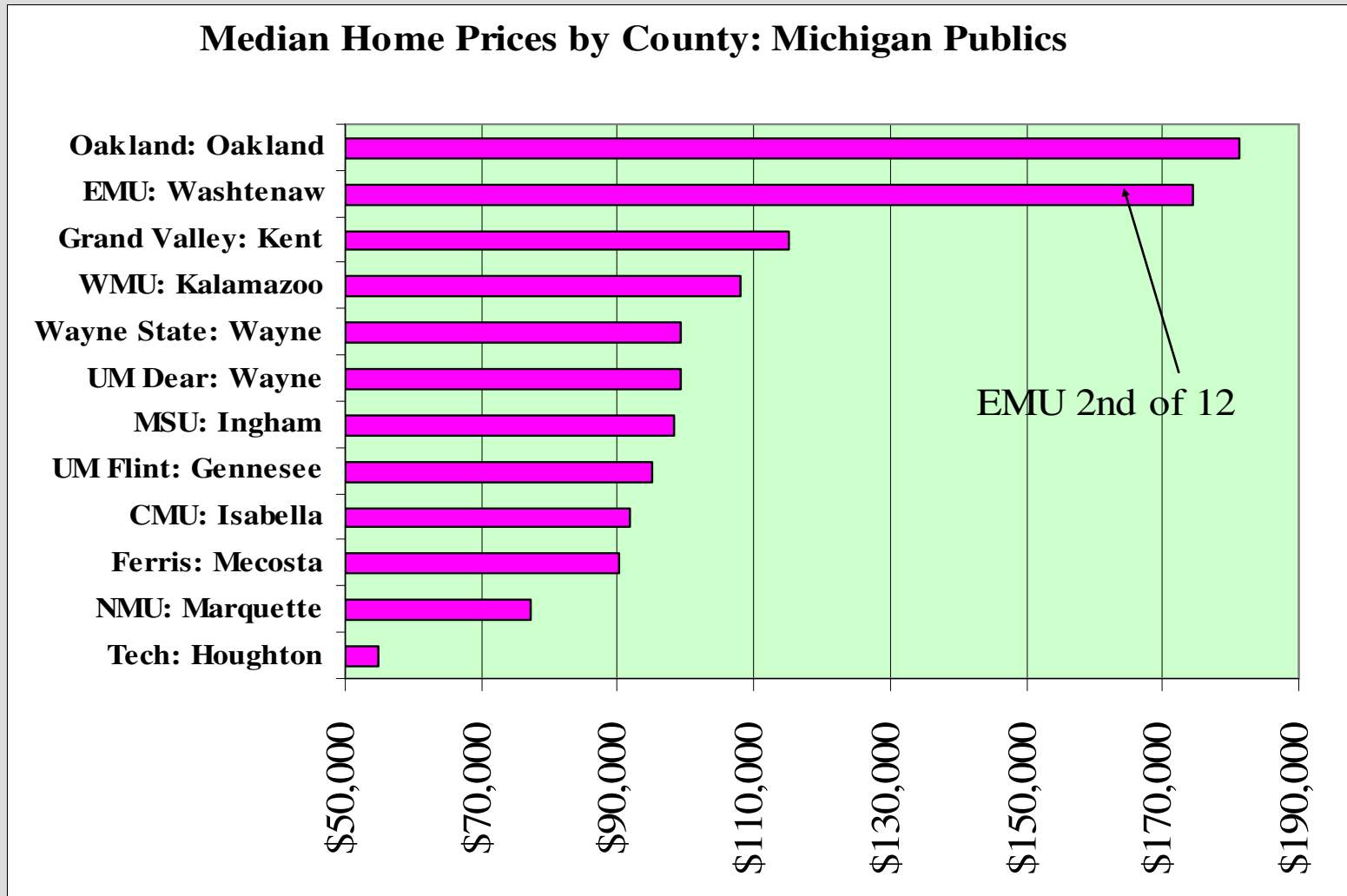


EMU Cost of Living versus MI Publics

(Source: US Census Bureau)

Median Home Prices	City	County	City	County
Oakland University	Rochester	Oakland	\$226,200	\$181,200
U of M Ann Arbor	Ann Arbor	Washtenaw	\$181,400	\$174,300
EMU	Ypsilanti	Washtenaw	\$117,500	\$174,300
Grand Valley	Allendale	Kent	\$126,600	\$115,100
Western Michigan	Kalamazoo	Kalamazoo	\$83,000	\$108,000
U of M Dearborn	Dearborn	Wayne	\$129,300	\$99,400
Wayne State University	Detroit	Wayne	\$63,000	\$99,400
Michigan State University	East Lansing	Ingham	\$144,300	\$98,400
U of M Flint	Flint	Gennesee	\$49,700	\$95,000
Central Michigan	Mt Pleasant	Isabella	\$95,500	\$91,800
Ferris State	Big Rapids	Mecosta	\$75,400	\$90,100
Northern Michigan	Marquette	Marquette	\$86,400	\$77,200
Michigan Tech	Houghton	Houghton	\$92,700	\$54,800
Average (w/o EMU)			\$112,792	\$107,058
Median (w/o EMU)			\$94,100	\$98,900
EMU RANK			6/13	2.5/13
EMU Versus Average			\$4,708	\$67,242

Cost of Living in Michigan Counties



Where Do EMU Faculty Live?

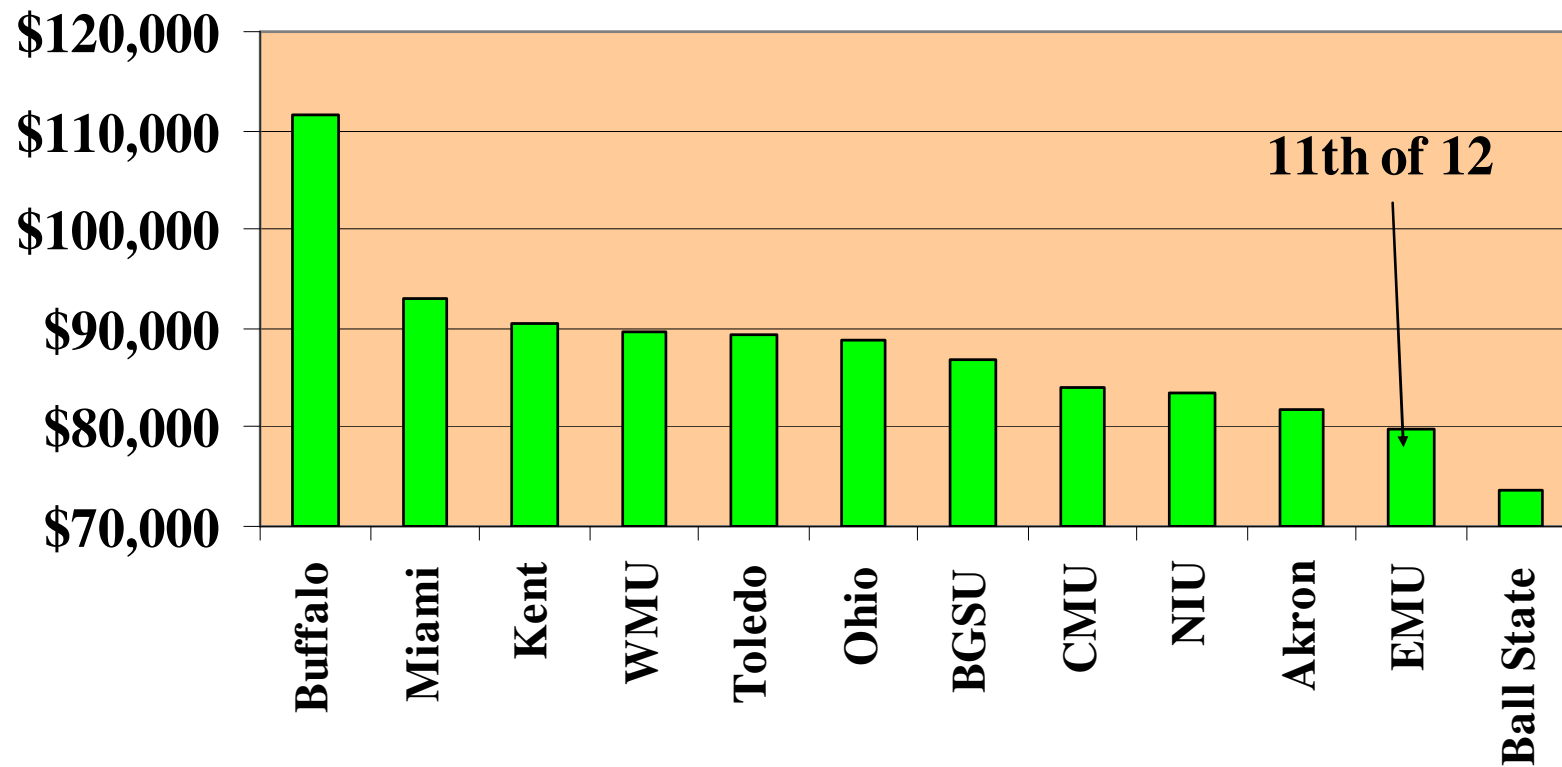
Where do EMU Faculty Live?	Number	Percent
Ann Arbor	224	33.6%
Ypsilanti	201	30.1%
Other Washtenaw County	90	13.5%
Other Michigan	135	20.2%
Ohio	8	1.2%
Florida	2	0.3%
Illinois	2	0.3%
Indiana	1	0.1%
New York	1	0.1%
New Jersey	1	0.1%
North Carolina	1	0.1%
Canada	1	0.1%
Total Washtenaw County	515	77.2%

EMU Versus the MAC

Average Salary 2005-06	PR	AO	AI	IN	AR
Buffalo	\$111,600	\$76,900	\$63,700	\$36,800	\$83,100
Miami University	\$92,900	\$69,300	\$53,800	\$34,800	\$68,500
Kent State University	\$90,400	\$65,700	\$53,200		\$63,800
Western Michigan University	\$89,800	\$68,100	\$53,700	\$42,600	\$68,900
University of Toledo	\$89,300	\$65,200	\$57,500	\$49,300	\$65,100
Ohio University	\$88,900	\$66,500	\$54,600		\$68,800
Bowling Green State University	\$86,900	\$65,900	\$53,900	\$37,100	\$59,200
Central Michigan University	\$84,100	\$64,900	\$52,300	\$35,200	\$65,400
NIU	\$83,400	\$63,500	\$53,500	\$35,400	\$60,900
Akron	\$81,800	\$59,800	\$51,300	\$37,900	\$63,400
Eastern Michigan University	\$79,900	\$64,300	\$55,900	\$53,500	\$63,300
Ball State	\$73,600	\$58,800	\$46,500	\$36,500	\$55,200
EMU Rank	11/12	9/12	3/12	1/10	9/12
Average without EMU	\$88,427	\$65,873	\$54,000	\$38,400	\$65,664
EMU Versus Average	(\$8,527)	(\$1,573)	\$1,900	\$15,100	(\$2,364)
% Difference	-10%	-2%	4%	39%	-4%

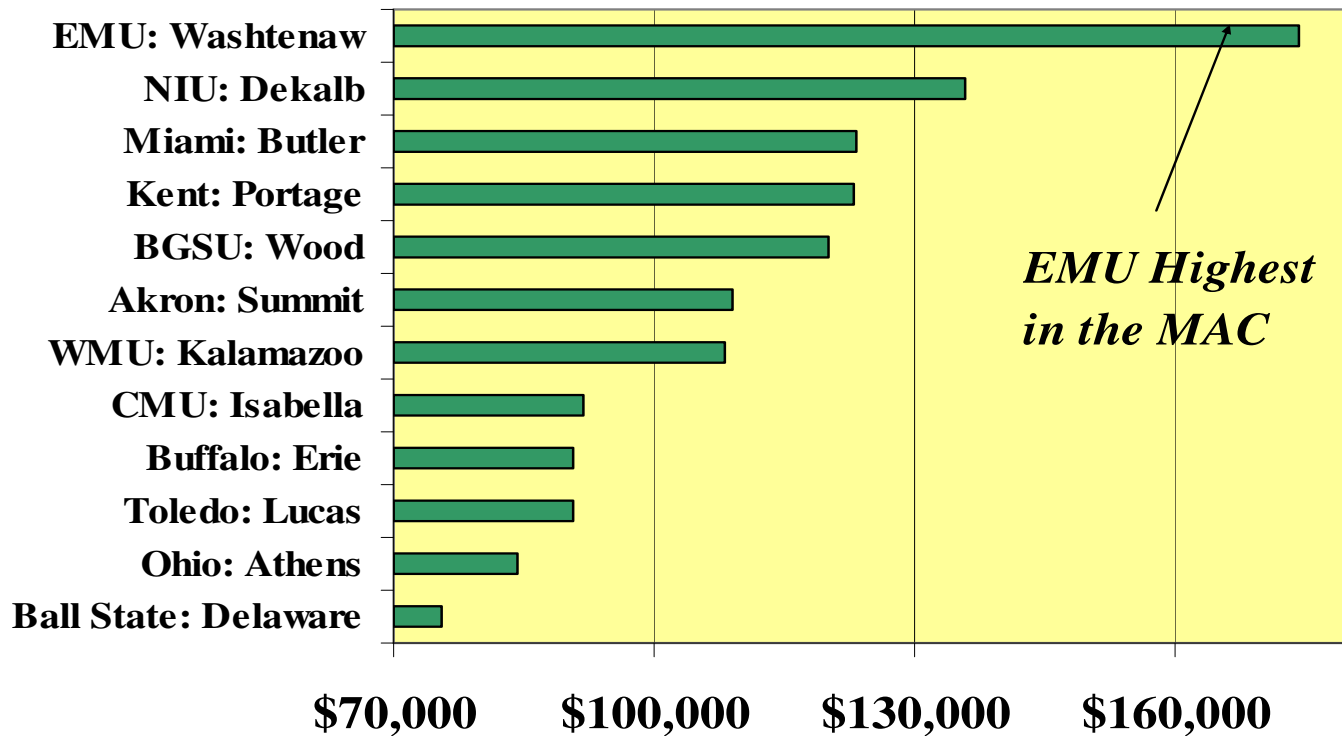
EMU Versus the MAC

**AAUP 2005-06 Salary Survey:
Full Professor Salaries of MAC Schools**



MAC Cost of Living

Median Home Prices by County: MAC Schools



EMU Versus Peer Group Defined by the Administration

University	PR	AO	AI	IN	AR
University of Delaware	\$114,100	\$78,500	\$63,000	\$49,200	\$84,200
George Mason	\$113,200	\$76,300	\$60,900	\$48,800	\$80,500
University of Nevada-Las Vegas	\$98,900	\$73,400	\$60,600		\$75,000
San Francisco State University	\$87,700	\$71,800	\$64,900		\$74,900
California State University-Los Angeles	\$85,100	\$70,000	\$60,700		\$73,200
University of Texas-San Antonio	\$97,700	\$70,900	\$61,800	\$72,600	\$69,600
California State University-Sacramento	\$85,600	\$64,900	\$55,500		\$69,000
Western Michigan University	\$89,800	\$68,100	\$53,700	\$42,600	\$68,900
Old Dominion University	\$88,700	\$64,500	\$56,100	\$42,900	\$66,700
Florida Atlantic University	\$89,200	\$64,200	\$57,500	\$42,800	\$64,500
University of North Texas	\$84,600	\$63,900	\$54,200		\$64,100
Kent State University	\$90,400	\$65,700	\$53,200		\$63,800
University of Akron	\$81,800	\$59,800	\$51,300	\$37,900	\$63,400
Eastern Michigan University	\$79,900	\$64,300	\$55,900	\$53,500	\$63,300
University of Wisconsin-Milwaukee	\$86,400	\$66,200	\$56,200	\$46,300	\$63,100
Texas State University-San Marcos	\$78,200	\$62,600	\$52,800	\$34,600	\$59,600
Portland State University	\$76,800	\$59,900	\$49,500	\$35,600	\$59,400
Illinois State University	\$76,700	\$59,100	\$54,500		\$59,100
Middle Tennessee State University	\$77,000	\$58,500	\$48,100	\$33,600	\$58,600
Ball State University	\$73,600	\$58,800	\$46,500	\$36,500	\$55,200
EMU Rank	15/20	12/20	10/20	2/13	14/20
Average without EMU	\$88,184	\$66,163	\$55,842	\$43,617	\$66,989
EMU Versus Average	(\$8,284)	(\$1,863)	\$58	\$9,883	(\$3,689)
% Difference	-9.4%	-2.8%	0.1%	22.7%	-5.5%

Administration Analysis

- CUPA
- 640 EMU Faculty (actual = 667)
- 3 Peer Groups:
 - Michigan publics without big 3
 - MAC
 - University defined group of 20
- No individual university data listed. We were told it was not available
- Uses averages of all ranks, and concludes EMU is just at the average of these groups.
- But the use of overall averages (and the numbers do not work anyway, as the average is over \$1,000 more than our actual average) is not appropriate . .

Makeup of Faculties: EMU and Peer Groups

RANK	EMU	20 Peers	MI Peers	MAC
Full	48%	33%	36%	36%
Associate	25%	35%	32%	31%
Assistant	25%	31%	30%	30%
Instructor	1%	1%	2%	2%
Total	100%	100%	100%	100%

EMU Faculty Versus EMU Administrators (n=202)

	EMU	EMU	Dollar	Percentage
	Faculty	Administrator	Difference	Difference
Average Salary	\$68,783	\$86,465	(\$17,682)	-26%
Median Salary	\$65,239	\$81,059	(\$15,820)	-24%
Contribution to				
TIAA-CREF	10%	11%		

Inflation and Faculty Salaries

- EMU raises of 3.25% the past two years:
 - Below that of other universities
 - Less than inflation (3.30% and 3.40% in 2004 and 2005)
 - Below that of the average raises of other university faculties around the country (about 4% in both 2004 and 2005)

EMU-AAUP Proposals

- Annual Raise:
 - Lower of CPI (US rate, June to June) plus 1.5%, or
 - 5%
- Increase TIAA-CREF contribution to 11% in 2007
- 1% Salary differential pool contribution in 2008 and 2009
- Increase in promotion increments:
 - \$3000 to \$3,200, \$3,300, \$3,400 (Inst. to Assistant)
 - \$4,200 to \$4,500, \$4,650, \$4,800 (Ass. to Assoc.)
 - \$5,400 to \$6,000, \$6,200, \$6,400 (Assoc. to Full)
- Pay 10% for all Continuing Education courses
- Increase in Medicare supplement (from \$120 to \$130 per month)
- Phased retirement
- Move traditional faculty to PPO Drug Card
- Increase in substitution pay to 10% for 3-credit course

Summary of the Costs of All Proposals

Annual Marginal Cost over Prior Year				
ITEM	Year 1: 2007	Year 2: 2008	Year 3: 2009	TOTALS
5% Raise	\$2,410,921	\$2,606,467	\$2,736,791	\$7,754,179
Fringes at 20.3% (21.3% in 2008 and 2009)	\$489,417	\$555,178	\$582,936	\$1,627,531
Increase in TIAA-CREF to 11%	\$482,184	\$0	\$0	\$482,184
Salary Differential at 1% (including 21.3% fringes)	\$0	\$585,750	\$617,366	\$1,203,116
Increase in promotion increments	\$15,350	\$6,350	\$6,350	\$28,050
Increase in CE Pay	\$415,181	\$0	\$0	\$415,181
Increase in Medicare Supplement	\$4,800	\$0	\$0	\$4,800
Phased Retirement Savings	(\$1,521,276)	\$0	\$1,255,224	(\$266,053)
Traditional to PPO Drug Card Savings	(\$156,750)	\$0	\$0	(\$156,750)
Substitution Pay	\$20,513	\$0	\$0	\$20,513
Total Annual Cost	\$2,160,340	\$3,753,744	\$5,198,667	\$11,112,751

Where Does 5% Get Us?

- 5% Raise gets us to the following, in terms of full professor rank, assuming all other peer institutions do not give any raises (not a realistic assumption):
 - **Michigan Publics:**
 - For full professors, move from 10th out of 13 to 9th out of 13 (from 7th to 6 out of 10 without big 3)
 - For All ranks, move from 9th out of 13 to 8th out of 13 (from 6th to 5 out of 10 without big 3)
 - **MAC**
 - For full professors, from 11th out of 12 to 9th out of 12
 - For all ranks, from 9th out of 12 to 5th out of 12
 - **Administration-defined Peers:**
 - For full professors, from 15th out of 20 to 14th out of 20
 - For all ranks, from 14th out of 20 to 10th out of 20

Grading Stipends: Perverse Incentives

- Grading stipends of \$50 per credit hour are paid for each student above 25 in a class
- Creates incentive to put huge numbers of students in online classes
 - Some faculty received over \$17,000 for one class
 - Large class sizes in 2006: Five largest in Winter 2006 were 139, 105, 83, 73, 73
- Over the 4 terms analyzed:
 - Only 41 different faculty received a total of over \$300,000, for an average of over \$8,000 per faculty member
 - 8 faculty members received over \$10,000 each. Collectively, these 8 received over \$250,000 in the most recent four terms (78% of all grading stipends).
- This needs to stop, so that more faculty can get paid in a more equitable manner. The Provost agrees that these need to stop.
- We believe that our proposal is better for students and faculty

Additional EMU Revenues

- 2.2% State of Michigan appropriation more than expected (\$1.65 million)
- 5% tuition increase (2005 tuition revenue was \$122 million) of \$6.10 million
- If more faculty are hired, the decline in retention can be alleviated, creating \$8 million in additional revenue over the next few years

Extra Pay for Administrators

- Administrators, in calendar 2005, received \$965,000 for “supplemental” pay, including car allowances, honorariums, and other bonuses that benchmarked their salaries against their peers. This amounted to 6% of administrative salaries.
- In the first 4 months of 2006, this amount was \$268,000, or \$804,000 on an annual basis
- EMU could stop paying administrators for not working, which costs millions each year
- EMU could stop the 6-figure payouts for settlements to ex-employees