

Present: Robert Moore, Brenda Gillen, Sara Rotunno, Marj Webster, Heather Kissack, Vibha Kapuria-Foreman, Christiane Steckenbiller, Dennis McEnnerney, Emilie Gray.

We discussed factors to consider ahead of recommending staff and faculty compensation pool increases (due early November to the Budget committee).

Some points that were brought up to frame this year’s discussion:

Tuition for next year? Don’t know yet, but for reference 3.5% increase equals about \$5M and 4.5% increase equals \$6.4M

1. One third goes to financial aid (\$1.6-2.2M)
2. President charge: debt repayment of \$1M (in addition to our annual debt repayment)
3. Health premiums rising by an estimated \$500k
4. Funds are also necessary for strategic plan, antiracism, carbon neutrality, operating budgets, utilities, R&R... (last year contributions towards operating and R&R were very small)

For reference, a 3% compensation pool increase would amount to about \$2.4M

Adding everything up and assuming a higher tuition (4.5% scenario) we are left with \$300k to cover line 4, which is not enough.

Summary – this year expenses are higher than past years because our debt repayment is more than usual, and our health premium is rising more than usual: with a 3% compensation increase and 4.5% tuition increase we still could not cover other college expenses.

We discussed faculty compensation.

*Comparison to peers: This year, compared to our peer institutions, associates are slightly above the median and assistants slightly below.

Mean percent change this past year among peers has been +1.5% (full), +2.1% (associate), +2.3% (assistant) --- average 1.99%

-----at Colorado College has been: +2.3%-----+3.5%-----
+3.1%----- average 2.96%

*We should assume CPI at least 2% - depending on region the CPI is different (mountain plains region 1.7%; urban areas 2.9%)

*Over the past 8 years we’ve had a 3% increase in compensation pool each year.

We discussed staff compensation.

This is more difficult because we don’t have straightforward peer groups to compare ourselves to.

*Comparison to others: CUPA salary increases (data from all institutions large and small for staff, professional, administrator) range from 1.8-2.4%

*Minimum wage is increasing by 90 cents to reach \$12/hour on January 1.

*CPI at least 2% (again, depends on category used)

*Ideas to assess whether we are competitive: look at turnover rates? Reasons for leaving? Time to fill positions? It’s difficult to draw conclusions from these data but they are worth thinking about.

* Over the past 8 years we’ve had a 3% increase in compensation pool each year (3.25% increase last year for staff) – these have been consistently higher than CPI. While the economy is still strong, it seems that decreasing the % would be a hard sell, however the debt and healthcare make 3% difficult to achieve without a large increase in tuition.

What we do now:

In the next week or so we should agree on a recommended % increase for staff and faculty comp pools and provide a logical rationale for these values, taking into account the information we have about other needs of the campus.

I have drafted (below in blue) a recommendation letter with some values and rationale, as a starting point. Please share with this group, or with me, your suggestions and opinions concerning the above information, and the letter below.

Thank you,
Emilie

" To the President, the Provost, the Dean, the Budget Committee, and the Board:

The compensation committee comprised of staff and faculty met Wednesday October 23rd to discuss recommendations for the compensation pool for the next academic year. We were provided with some preliminary projections on revenues and expenditures and it is those figures which formed the basis of our conversation. We understand that that information is provisional, no more, at this stage.

Considering the information at hand, we are recommending an increase in staff and faculty compensation pool of 2.8%. These values are below last year's values of 3.25% (staff) and 3% (faculty). We believe this would be possible with a tuition increase of 4.6% (also below last year's), which would still allow the additional debt repayment of \$1M, support a 33% discount rate and permit the funding of various campus initiatives, operating budgets and R&R (which received less support last year).

Our rationale is outlined in the following points:

- While the economy continues to be strong and Colorado College highly selective, we believe it is important to continue maintaining competitive salaries while advancing the college's mission through healthy allocations to department and college-wide initiatives;
- The labor market continues to be competitive and therefore we want to continue attracting both faculty and staff with competitive salaries (CPI is at 1.7% or 2.9% depending on whether one looks at the entire mountain plains region or cities, and the cost of living in Colorado Springs is likely on the higher end of that range;
- Last year, funds available for operating budget were very low, providing limited additional resources to academic departments and no funds for other offices on campus. We believe that now is a good opportunity to maintain reasonable salary increases while supporting academic and co-curricular initiatives.

Thank you for your time,
Emilie Gray, on behalf of the 2019-20 Compensation committee"