Pay Strategy:

Southern West Virginia Community and Technical College needs highly talented faculty to attain the teaching and learning goals outlined in our institutional commitments in support of our mission. Our faculty compensation system is designed to attract, retain and reward individuals who can help us be a successful institution of higher learning.

Market Competitiveness:

The Faculty Compensation Program is well positioned against our external market. Southern needs to be able to compete with other higher education institutions to attract individuals with the education, knowledge, skills and abilities necessary to deliver quality instruction. We also need to retain high performance faculty and remove pay as a leading reason to leave our institution. At the same time, we recognize the limitations of being a state-supported institution in a depressed economic region. However, it is important that Southern attempt to maintain a competitive wage rate for all ranks of faculty.

The July 1, 2007 salary structure is based on competitive market analysis, conducted in November 2006, of Fall 2005 salary levels modified to reflect the 2006 wage progression of 3.55%. The market used for development of this structure and the preliminary salary structure showing the market competitive wage rates for the four faculty ranks are identified in the attachment titled, “Faculty Salary Market Sources and Rates.”

Faculty Salary Funding:

A faculty member’s progression through the salary ranges will be determined based on availability of funding, the effect of promotions on salary, and other criteria as may be determined in the future. It is the goal of this institution to allocate salary funding available for faculty in accordance with this salary structure. The ultimate goal is to achieve market competitive salary levels for all faculty members.

Program Administration and Maintenance:

The president has final authority for decisions related to hiring faculty, compensation strategy or the salary plan. The faculty compensation program will be maintained by the
Human Resources Unit which includes initial placement of individuals in the program and facilitating progression through the ranges. At a minimum of every three years, Human Resources will collect market data and make recommendations regarding adjustments to the plan.

The administration is responsible for ensuring that the compensation strategy and plan continue to advance the College’s operational needs and strategic goals, and will play a vital role in maintaining the integrity of the plan by adhering to its objectives.

Faculty Compensation Program:

Based on the guiding principles outlined above, faculty positions will be placed into a system of pay ranges. The size and shape of the pay ranges are determined by the market data collected and faculty feedback regarding the design of the structure. The salary ranges are based on the median salaries for each rank in our market.

Step Pay Structure Design and Definition:

This is not a "years of service" pay structure.

The step salary structure represents a framework for salary administration for faculty of Southern West Virginia Community and Technical College. The structure contains “steps” representing a 3% increase for each level from the entry salary in each rank to the market level salary of the rank. After the market level salary is achieved, salary progression slows to a rate of 1.5% between steps until the maximum in the rank is reached. As funding becomes available, salaries may be progressed one step each year, or two steps, or any percentage of one or more steps. A step salary structure does not guarantee salary increases each year.

All salaries represented in the data collected for development of this faculty compensation program, as well as consideration for placement on the structure, are based on nine month base salaries. Years of service increments, overload pay, stipends, and any other incentive pay was not included in the calculations.

Maximum Salary in Rank:

The maximum in rank is the maximum salary an individual holding that rank can receive. Once a faculty member’s salary reaches maximum in rank, his/her salary will be “red-lined” and he/she will not receive general pay increases until one of the following situations occurs:
a. The faculty member is promoted to the next higher rank.
b. The structure is revised based on new market figures and the maximums are increased to a level higher than the faculty member’s salary.
c. A minimum increase in pay for all employees is mandated by the legislature or the Board of Governors of Southern West Virginia Community and Technical College.
d. Payment above maximum in the professor rank may be possible upon the implementation of a faculty merit pay program. Once a program is established, a faculty member whose salary is at or above the maximum in rank may receive a lump sum merit payment if he/she is approved for merit based on criteria of the program. A lump sum merit payment will not become part of the faculty member’s base salary and could be awarded in addition to or separate from any mandated increases by the legislature or Board of Governors.

Salary Funding Priorities:

Once all faculty are placed on the appropriate schedule step, the first priority for funding is to bring all salaries to at least the minimum in rank. The second priority is to fund placement on steps. Finally, any remaining funds (or future funding for faculty salaries) will be applied to progression along the steps of the salary schedule.

Placement on the Salary Schedule:

Placement of individual faculty positions on the salary schedule will be done by assigning the existing salary for each faculty member at the step closest to his or her existing base salary. The resulting step number will be the point at which the faculty member begins progression through the salary schedule.

Example #1: Mary Morgan holds the rank of Assistant Professor. Her current nine-month base salary is $39,462. Mary’s assignment on the schedule is at the Assistant Professor rank in Step 8. Her salary stays at $39,462 until funding is available for further progression on the salary schedule. Here is how the step assignment is determined:

Mary’s salary of $39,462 falls between the Step 8 salary of $38,885 and the Step 9 salary of $40,051. The midway point between these two salary levels is $39,468. Calculation of the midway point between the two steps is: \( ((40,051 - 38,885)/2) + 38,885 = 39,468 \). Mary’s salary falls below this level, so her salary is closest to the Step 8 salary, therefore her starting step is Step 8. Her salary will remain $39,462.
for implementation of the salary program.

Example #2: Robert Mills holds the rank of Associate Professor with a nine-month base salary of $40,173. Robert’s assignment on the schedule is at the Associate Professor rank at Step 10. The salary for Step 10 is the entry salary level for the Associate Professor rank or $41,215. The first priority for funding faculty salaries will provide all or some portion of the $1,042 to bring Robert’s salary to the entry level of the Associate Professor rank.

Example #3: Jerome Hatfield is a Professor with a nine-month base salary of $50,985. Jerome’s assignment on the schedule is at the Professor rank at Step 18. Notice Step 18 shows a salary higher than Jerome’s. The Step 18 salary is $51,190. The difference of $205 is needed for funding the “placement on step.” This increase, or some portion thereof, represents the second priority for funding the salary schedule.

Equity Funding:

Equity funding is where the first faculty salary dollars will be applied toward funding the schedule. Faculty who have salaries below the minimum in rank will receive the first available salary dollars to bring about an equity level of funding to implement the salary schedule. The second example (Robert Mills) above provides an example of “equity funding.”

Funding for Placement on Step:

Individuals whose salary is closest to the higher step, are placed on schedule at the higher step. This creates a funding need for “placement on step.” The second round of funding will be applied to “placement on step,” bringing these individuals’ salary levels to the amount shown on his or her respective step. The Jerome Hatfield example demonstrates the second priority for implementing the schedule, or funding for “placement on step.”

Salary Progression Using a Step Pay Structure:

Once initial implementation funding has been provided, the step pay structure will be the guide for salary increases for faculty at Southern West Virginia Community and Technical College. As funding becomes available, faculty salary increases will be provided in accordance with this schedule.

Salary increases may be provided by funding a full step progression, or a partial step progression. The total dollar amount available for faculty salary schedule funding will
determine the amount of progression on the schedule.

A full step increase would represent a 3% salary progression if the faculty member’s salary is below the market salary for his/her rank. If the faculty member’s salary is at a level above the market level, a full step increase would represent a 1.5% movement on the schedule. A full step progression is not the only manner in which salary increases may be provided.

A partial step progression exists when funding is available to provide only a portion or percentage of a step. For example, if $101,000 is needed to provide a one step progression on the schedule, and the amount of funding available for faculty salary increases is only $42,000, the institution would be able to provide an increase that represents 41.5% of a one step progression. This approach is referred to as a “percent of the difference” approach. We can calculate the amount necessary for a one step progression. This amount would represent a target salary for each faculty member. Based on the money available for funding salaries, it would be possible to fund a “percentage of the difference” between where the current salaries levels stand and the amount necessary to fund salary schedule target levels.

Based on the design of the schedule, faculty whose salaries are below market would receive higher salary increases than those who have salaries that are above the market level salary for his or her rank. This method provides a more rapid progression to market, but does not ignore long service faculty who may be paid at levels above the identified market salary.

Questions:

Questions regarding the market analysis, design of the structure, placement on the structure, pay program administration and funding priorities may be directed to the Human Resources Administrator. The HR Administrator will be available on each campus for individual appointments to discuss and answer questions about the new faculty compensation program. The location schedule will be provided via email to all faculty.