

MEMORANDUM

Date: April 6, 2009

To: Department Chairs, Deans

From: John H. Frederick 

Subject: Proposal for phase-in of new compensation standards for department chairs

Following the recommendations of the Department Chair Compensation Task Force this spring, I would like to propose the following process for phasing-in new university-wide standards for compensating department chairs. Over the next six years, the provost's office will systematically update the compensation for chairs so that the standard compensation is calculated according to the following:

<i>Year</i>	<i>Stipend</i>	<i>Summer Support</i>
2009-10	\$10,000	1.00 month
2010-11	\$10,000	1.20 months
2011-12	\$10,000	1.35 months
2012-13	\$10,000	1.50 months
2013-14	\$11,000	1.50 months
2014-15	\$12,000	1.50 months

For each chair, the summer support amount is predicated on the chair's normal academic-year salary, with one month representing one-ninth of that salary. Each year, the chair's compensation will be compared against the standard compensation amount represented in the table above. If the current compensation is less than the amount represented by this standard, the compensation will be adjusted to be equivalent to the amount reflected by the standard. If the chair's current compensation is greater than the standard, then no adjustment will be made. Any adjustments of chairs' compensation to the standard model will be funded through my office; however, all college funds currently committed to chair compensation are expected to remain available.

For example, if a hypothetical chair is currently given a \$16,000 stipend and a summer salary of \$5,000, equivalent to 0.5 months of salary (based on a nine-month salary of \$90,000), then the current total supplementary chair compensation is \$21,000. Under the 2009-10 standard, the supplementary compensation would be \$10,000 (stipend) + \$10,000 (one mo. summer salary) = \$20,000. In this case, the chair's compensation package would not be adjusted. The following year, 2010-11, the standard model would correspond to a supplementary compensation package of \$10,000 + \$12,000 = \$22,000, and the hypothetical chair's compensation would be increased by \$1,000 and the compensation package adjusted to reflect the stipend and summer salary of the

standard model (that is, a stipend of \$10,000 and a summer salary of \$12,000). Thereafter, the chair's compensation would increase commensurate with the standard compensation model until the phase-in is complete in 2014-15.

Most chairs currently serve on three-year renewable appointments and no changes will be made in the structure of each chair's compensation unless it falls below the standard amount indicated in the table (that is, current compensation formulas are "grandfathered" until the end of the current appointment period). By 2012-13, most chairs should receive the indicated amount of summer salary and at least the standard stipend as listed in the table. At the end of each chair's current appointment period, the chair's compensation will be adjusted to the standard formula represented by the table, even if the same individual is re-appointed to the chair position and even in the rare case that the total supplemental compensation package might decrease as a result.

Deans have the discretion to offer stipends within the range of \$12,000 to \$18,000 based on documented differences in complexity and magnitude of the chair's work. Any stipends in excess of the standard stipend must be funded out of college funds, and all deans will be asked to justify stipend amounts that vary from the standard formula. I should note that, by structuring the standard model in the proposed manner, chairs may supplement their overall compensation additionally through summer teaching or through grant-related research activities, for example. In no instance, however, shall the total compensation exceed the equivalent 12-month salary plus \$25,000.

In accordance with the task force recommendations, I am also in favor of granting a one-semester development leave to any chair who steps down after completing one three-year term as chair, and up to one-year of development leave for those serving two or more three-year terms as chair, subject to the normal requirements of development leaves as indicated in the *Handbook of Operating Procedures*.

Finally, as chairs complete their service, I will encourage deans to reward outstanding performance as chair through higher merit awards. The task force report urged that a one-time increase to the chair's base salary be made at the completion of service and I agree with the spirit of this recommendation. However, I firmly believe that the best mechanism for this is reward for outstanding service through merit increases and I will work with the deans to establish an appropriate practice for recognizing the sacrifices that chairs make to serve their departments.

C: Terry Wilson
David Johnson