



New York University
A private university in the public service

Faculty Senators Council
194 Mercer Street, 4th Floor
New York, NY 10012
Telephone: (212) 998-2230
Facsimile: (212) 995-4575

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MEMORANDUM

TO: Members of the Senate Financial Affairs Committee

FROM: The University Faculty Senators Council (FSC)

RE:

Recommendations to the Administration On Matters Pertaining to Faculty Compensation and to Faculty Benefits For the Academic Year 2006-2007

Part I. On Matters Pertaining to Faculty Compensation

The Faculty Senators Council is mindful of the many demands that the University faces, most critically the expansion of the faculty, addressing the critical shortage of classroom space, and the pressure to provide a quality of residential life for our students that is competitive with other top-ranked Universities. We applaud the Administration's efforts in addressing these needs. We are also aware of the stress placed on the University by the spike in fuel costs. Nevertheless, the members of the Faculty Senators Council are concerned that, in addressing these needs, the Administration's salary increases have resulted in a significant erosion of the standard of living for faculty.

For the third year in a row the merit pool for faculty salary increases has failed to keep pace with cost of living in the New York Metropolitan Area. The increase last year of 3.0 percent was nearly a percent below the 3.8 percent increase in the New York Metropolitan Area consumer price index. (See the attached sheet and figures.) This decline in real income follows a one percent decline last year and a 2.5 percent decline the year before. Compounding these changes, real salaries have declined by 3.4 percent since 2002. Moreover, the Administration has shifted much more of the burden of health care costs onto its employees, while raising rents on faculty housing. Moreover, in comparison with NYU tuition, the relative decline in NYU salaries is much more pronounced.

We fear that these circumstances will have a very adverse effect on faculty morale, retention, and recruitment.

To offset these declines, the Faculty Senators Council recommends an increase of 6 percent in the salary pool for 2006-2007. This increase only partially makes up for current inflation and the erosion in real faculty salaries due particularly to the salary freeze of 2002-2003.

MEDICAL BENEFITS

While the medical benefits packages offered to faculty are not mentioned among these recommendations, they are actually a primary concern of the Faculty Senators Council. The FSC members have concluded, however, that we need more information and more time in order to play a meaningful role in the development of such packages as we move forward. To that end, the Faculty Senators Council expects to continue its discussions and participation with Administration officials about medical benefits.

The Faculty Senators Council makes the following recommendations for improvements in benefits for 2006-2007:

- **IMPROVED DENTAL BENEFITS**

The Council recommends that the *Schedule of Covered Dental Procedures*, which covers *Corrective and Restorative Services*, be reviewed and that dental costs be controlled through the annual and lifetime maximum benefit mechanisms that are already in place. Furthermore, the Council recommends that the maximum total benefit for each covered person be increased from \$1500 to \$2000 per calendar year.

Rationale:

The *Schedule of Covered Dental Procedures* covers a greater proportion of the costs of some procedures than of others, and some procedures are omitted from the schedule altogether. This results in unequal levels of dental assistance for employees depending on the dental problems they encounter and the procedures their dentists recommend.

The increase in the annual maximum is to partially compensate for the increase in the cost of dental procedures.

- **DENTAL BENEFITS FOR RETIREES.**

The Council recommends that NYU retirees be permitted to participate in the Dental Assistance Plan.

Rationale:

Dental problems do not end with the conclusion of active employment at the University. In fact, some dental problems become more serious with age and may imperil the overall health of some retired faculty. It does not seem appropriate that coverage of this aspect of health and well-being should stop with retirement.

- **IMPROVED PORTABLE TUITION REMISSION**

The current annual maximums for portable tuition remission are: \$1500 for faculty who have been employed at the University for 3-9 years, and \$2000 for faculty who have been at the University for 10 or more years.

The Council recommends that these maximums be increased to \$3000 and \$5000, respectively.

Rationale:

The portable tuition remission benefits of many of our peer institutions tend to be far in excess of NYU's benefit, and most are granted as a percentage of tuition costs, with percentages in the range of 35% to 100%. In order to be competitive in recruiting and

retaining faculty, we believe that NYU should be increasing this important benefit to faculty with children.

- **IMPROVED TUITION REMISSION FOR SPOUSES AND SAME-SEX REGISTERED DOMESTIC PARTNERS**

Spouses and same-sex registered domestic partners of active and retired faculty are currently eligible for tuition remission only for courses leading to an undergraduate or graduate degree.

The Faculty Senators Council recommends that tuition remission benefits for spouses and same-sex registered domestic partners of active and retired faculty be expanded to cover other types of courses, commensurate with those available to current faculty, e.g. non-credit courses at the School for Continuing and Professional Studies (SCPS) and certificate programs at SCPS and other schools.

Rationale:

The current tuition remission benefit for spouses and domestic partners is generous for those working toward degrees, but it provides no benefit to those who have completed the degrees they wish to acquire. Part of the pleasure of being the spouse or domestic partner of an NYU faculty member should be the opportunity to avail oneself of the exciting array of courses and certificate programs available at the University and to accompany one's spouse or partner to a course that both wish to take with the assistance of tuition remission.

- **FLU SHOTS**

The Faculty Senators Council recommends that flu shots be made readily available to faculty members and their spouses or same-sex domestic partners at low or no cost.

Faculty members should be notified when the flu vaccine will be available, supplies should be guaranteed, and faculty members should have the opportunity to schedule appointments for their shots.

Rationale

Procedures and policies regarding flu shots for faculty members and their partners have never been put in writing. They vary from year to year, and what one is told often depends on who one speaks to. There was a time that faculty members could make appointments for flu shots, then the system was administered on a first-come, first-served basis, with faculty members competing for a place in line with students who are using the service for a variety of immunizations and examinations. There have also been instances when it has been announced to waiting faculty that the supply of vaccine has been exhausted and that it is not certain when or whether additional vaccine will be available. It is important to establish and publicize policies and procedures that assure faculty members, and their partners, access to the flu vaccine, at no or low cost, and the ability to schedule times to receive the shots. Such policies would conserve the time of busy faculty members, help the program run more efficiently, and help in keeping the faculty in good health.

NY Metro Area CPI, NYU Salaries, and NYU Tuition
1988-2005
(1988 = 100)

Year	NY CPI	Salary	Tuition	Salary/ CPI	percent increase	Salary/ tuition	percent increase
1988	100	100	100	100		100	
1989	105.10	105.50	109.60	100.38	0.38	96.26	-3.74
1990	110.25	111.30	119.35	100.95	0.57	93.25	-3.12
1991	117.42	117.42	129.62	100.01	-0.94	90.59	-2.85
1992	121.64	123.30	139.99	101.36	1.35	88.08	-2.78
1993	126.27	128.23	149.09	101.55	0.19	86.01	-2.35
1994	129.42	132.72	157.88	102.54	0.98	84.06	-2.27
1995	132.53	137.36	167.04	103.65	1.07	82.23	-2.17
1996	135.88	142.17	176.06	104.63	0.95	80.75	-1.80
1997	139.82	147.14	185.57	105.24	0.59	79.29	-1.80
1998	143.08	152.29	193.55	106.44	1.14	78.69	-0.77
1999	145.43	157.62	201.48	108.39	1.83	78.23	-0.58
2000	148.28	163.14	209.34	110.02	1.51	77.93	-0.38
2001	152.89	168.85	217.09	110.44	0.38	77.78	-0.19
2002	156.74	174.76	225.55	111.50	0.96	77.48	-0.38
2003	160.76	174.76	234.58	108.71	-2.50	74.50	-3.85
2004	165.70	180.00	251.70	108.63	-0.07	71.52	-4.01
2005	171.95	185.40	265.04	107.83	-0.74	69.95	-2.18