

To: University Senate Financial Affairs Committee
From: C-FSC Finance and Policy Planning Committee
Date: April 22, 2020
Re: **C-FSC Recommendations for the Fiscal 2021 Budget**

Preface

This recommendation finalizes our preliminary recommendation, which was submitted prior to the COVID-19 crisis. The C-FSC recognizes that the University is facing budget constraints as a result of COVID-19. Therefore, it requests that, if the University is unable to adopt all or any part of this recommendation for FY 2021, this request be carried over to FY 2022.

Recommendation Regarding Salary Increases

The C-FSC recommends that (i) the minimum salary for continuing contract faculty be raised to \$70,000 from \$60,000; (ii) continuing contract faculty who have been employed by the University for more than five years be paid at least \$5,000 above the minimum salary; (iii) continuing contract faculty who have been employed by the University for more than ten years be paid at least \$10,000 above the minimum salary, and (iv) minimum salary levels be reviewed at least every three years.

The C-FSC does not make this recommendation lightly. With regard to the increase in minimum salary to \$70,000, the C-FSC notes that starting salaries for NYC public school teachers for 2019-20 are \$57,845 for someone with a bachelor's degree and no teaching experience and \$65,026 for a master's degree and no teaching experience. While K-12 public school teachers and private university faculty may not be directly comparable, NYU's compensation of its continuing contract faculty should reflect its mission of higher education as opposed to K-12 education, the degrees its faculty members have earned, and its faculty members' years of experience.

With regard to the increases above the minimum salary for experience, it is important to note that of the approximately 191 NYU continuing contract faculty members who currently are earning below \$70,000, approximately 67 have served for between five and ten years, and approximately 43 have served over ten years. Merely bringing those experienced faculty members up to the \$70,000 minimum is an insufficient recognition of their service. Thus, to address the problem of salary compression, the C-FSC recommends modest amounts by which an experienced professor's salary should exceed the bare minimum.¹ For another inexact but useful comparison, the starting salary for a NYC public school teacher with a master's degree, eight years experience, and some additional course work is \$87,510.

¹ At present, there are (i) approximately 47 faculty members who have served between five and ten years and who earn between \$70-75,000; and (ii) approximately 22 who have served over ten years and are earning between \$75-80,000.

Moreover, review of the AAUP Annual Report on the Economic Status of the Profession, 2018–19 (May 2019) suggests that salaries at peer institutions are higher than at NYU. For example, the average salary for a Columbia University lecturer (presumably equivalent to our lowest rank of continuing contract faculty) is \$88,500, compared to NYU's \$64,700. To compare with another New York City university, Fordham's average is \$67,600, also higher than NYU's. Boston University, another private university in a metropolitan area, has an average of \$77,300.

Preliminary Recommendation Regarding AMI

The C-FSC recommends that AMI be 3%. In the past, deans of many if not most of the schools have used 0.5% of the reported AMI at their discretion. The C-FSC does not take issue with this practice but recommends that the AMI should **be** 2.5%, not just reported as such, and the additional 0.5% can continue to be a discretionary amount.