



# Financial Affairs Presentation by FSC

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12/5/2011



# Faculty standard of living has deteriorated

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- For a number of years the merit pool for faculty salary increases has failed to keep pace with cost of living in the New York Metropolitan Area
- Faculty salaries increased at average compounded rate of 2.38% yearly over the last 9 years, significantly slower than inflation
- The standard of living of faculty at NYU (salaries adjusted for inflation in the NY Metropolitan Area) has deteriorated by 6.20% since 2002

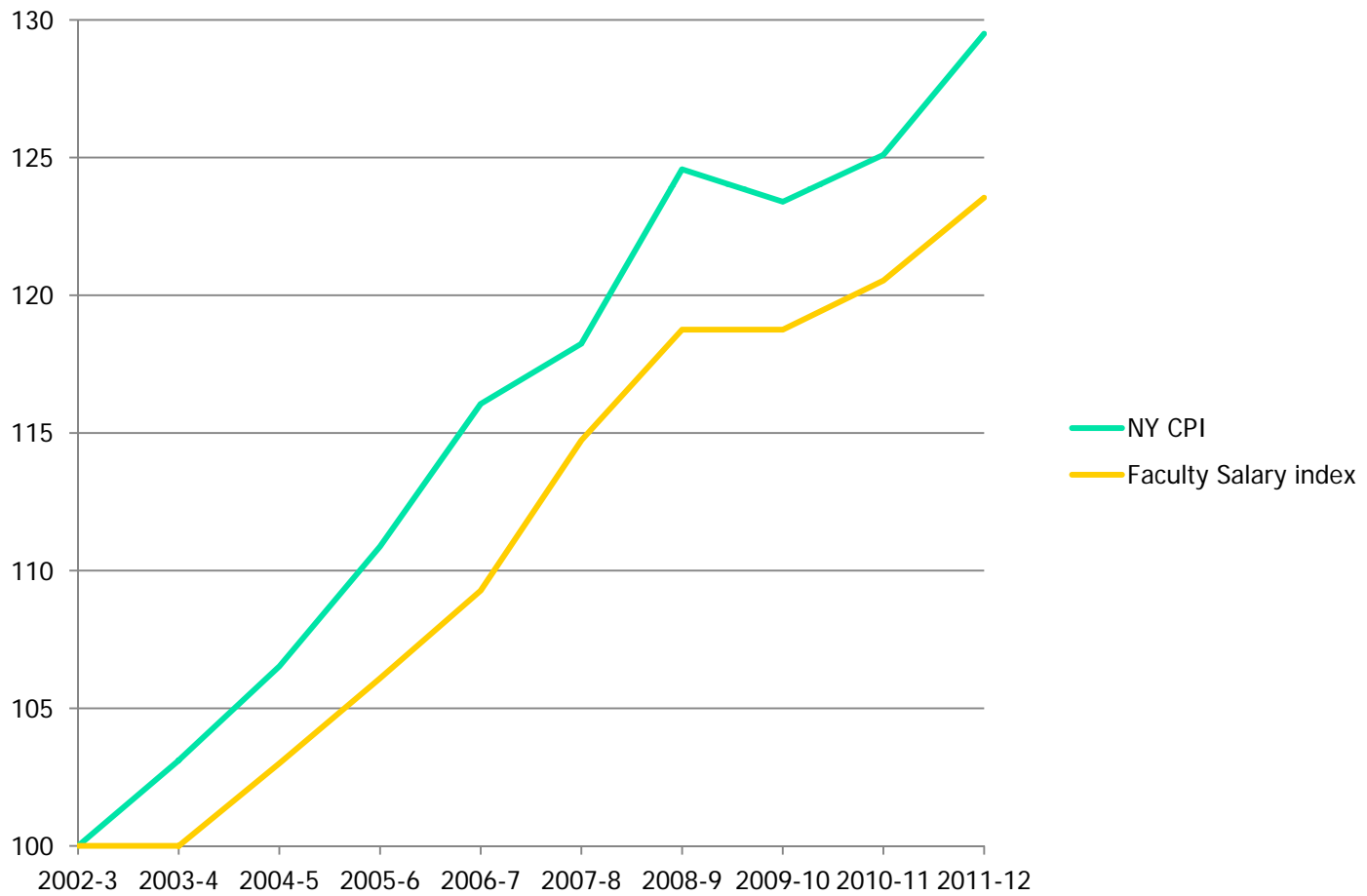


# Tuition has increased over twice as fast as faculty salaries

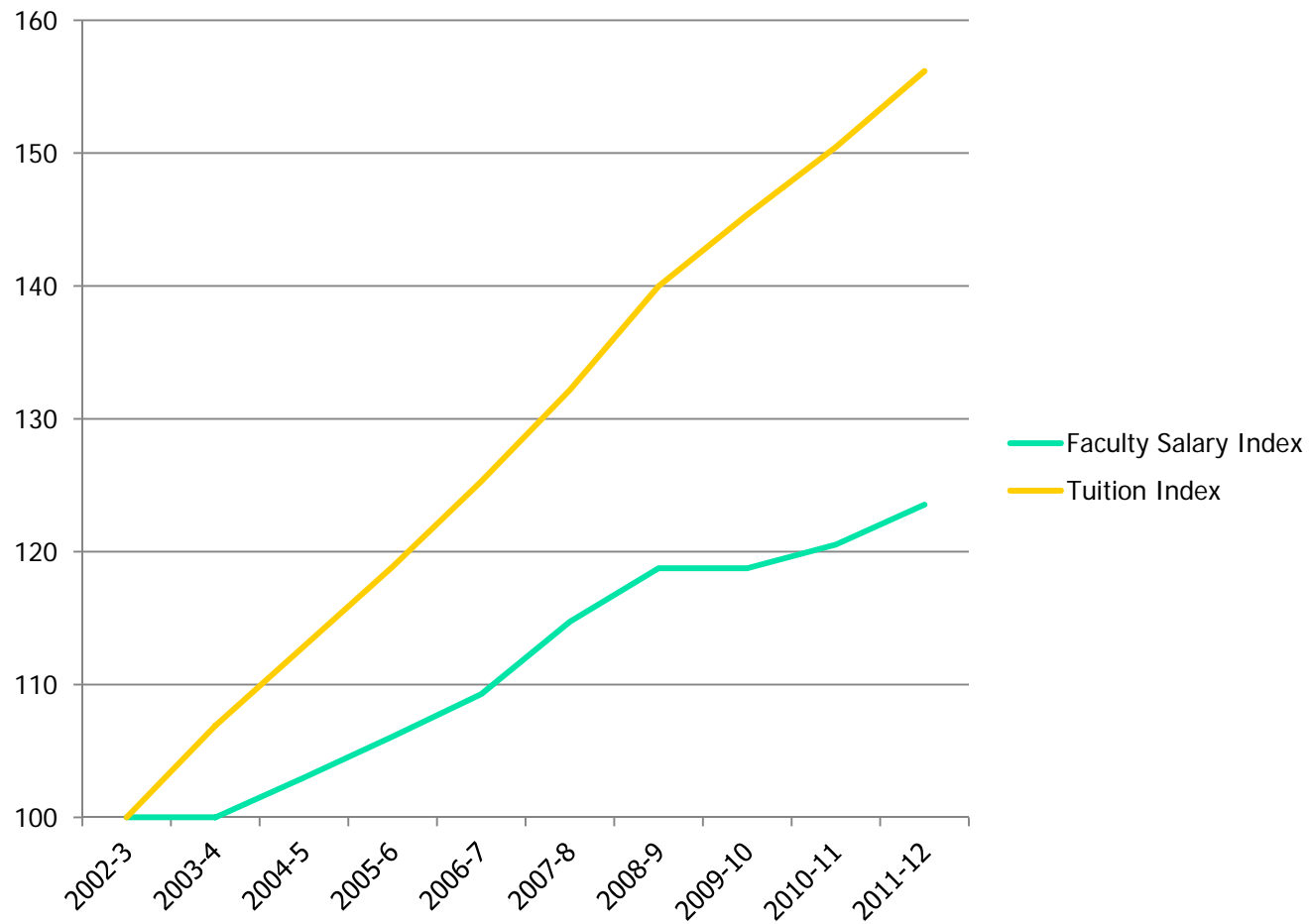
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- In comparison with NYU tuition increases, the relative decline in NYU faculty salaries is much more pronounced
- In the period 2002-2011, tuition increased at an average rate of 5.08% per year (compounded), approximately 214% faster than the average yearly (compounded) rate of increase of continuing faculty salaries, which was 2.38%

# Widening Gap Between Inflation and Faculty Salaries Raises



# Widening Gap Between Tuition Increases and Faculty Salaries Increases





# FSC Recommendation to Administration

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- To offset the real income declines for continuing faculty, the FSC recommends an increase of 6.20% in the faculty salary pool for 2012-13
- The Council notes that the proposed 6.20% increase to the pool is quite conservative and will only restore continuing faculty to their real earnings of year 2002-3