

Valencia Faculty Compensation Plan

Table of Contents

Valencia Faculty Compensation Plan Summary	Page 3
History	Page 4
Valencia Faculty Compensation Plan	Page 5
Appendix A – McConnell Plan	Page 13
Appendix B - Franklin Plan	Page 42

Valencia Faculty Compensation Plan Summary

Valencia's current practice of paying a fixed percentage increase across the faculty schedule results in an exponential distribution of raises which, compounded over time, has led to pay inequities and a salary schedule which places the college at a disadvantage to recruit and retain faculty. This current plan starts new faculty well below market average, and continues to pay faculty below market for 20 or more years into their careers. To correct these deficiencies the Valencia Faculty Association proposes the following Plan.

Reflecting design principles that were endorsed by faculty and approved by The District Board of Trustees, the proposed Valencia Faculty Compensation Plan addresses 4 components: Base Salary, Professional Development, Institutional Effectiveness and Summer Supplement.

Area I. Base Salary

The plan proposes a 30-step base salary structure with a fixed dollar amount between steps. The proposed distribution would begin at 42,000 for a new hire with a Master's degree and move forward to 73,030 for a Step 30, Faculty member with a Master's degree. Adjustments would be applied for degrees other than Master's. Future raises would consist of a step increase with an adjustment applied to the entire schedule to reflect cost of living and other market conditions.

Area II. Professional Development

The Valencia Faculty Compensation Plan recommends an additional enhancement for faculty who demonstrate achievement in activities designed to improve professional skills. The plan proposes design principles which will be developed by a faculty-led team into a criteria and structure for the award of this enhancement.

Area III. Institutional Effectiveness

The Valencia Faculty Compensation Plan recommends an additional monetary enhancement for individual and team efforts in support of student learning, in service to the college, and in meeting the college's mission, goals and objectives. The plan proposes design principles which will be developed by a faculty-led team into a criteria and structure for the award of this enhancement.

Area IV. Summer Supplement

The Valencia Faculty Compensation Plan recommends that the summer supplement continue to be paid at 20% of the annual contracted salary.

History

The College-wide Faculty Association created the Faculty Compensation Task Force (FCTF) in November 2001. The FCTF was charged with the task of suggesting ways to reform the college's current salary schedule.

During the first six months, the committee focused on two tasks: creating design principles and finding out what current "best practices" were. The design principles were developed after conducting faculty forums on all campuses. They were approved by the District Board of Trustees and ratified by the faculty in December 2002. It was a great deal more difficult to establish "best practices." There were few, if any, instances where research supported claims on the efficacy of merit pay. There was a similar dearth of examples of schools linking compensation to demonstrated gains in student learning.

Faced with this difficulty, the FCTF sought outside help and interviewed potential consultants. McConnell and Company were contracted to produce a compensation system that addressed all 6 design principles. They conducted focus groups, worked with the FCTF, and produced a plan that based faculty compensation on seniority, credentials, commitment to professional development, and service to the college. The McConnell Plan was presented to the faculty in September of 2003 and a lively debate ensued.

Faculty raised concerns with the McConnell Plan's low starting salaries, swift progress towards a salary cap, and criteria relating to professional development and service to the college that did not reflect the college culture. In addition, many faculty members were disturbed by the redefinition of the summer supplement. Many faculty members were interested in an alternative plan presented in October 2003 by Jim Franklin. This plan created a linear pay scale with higher starting salaries and more generous rewards for seniority.

The FCTF held a college-wide forum in January 2004 to make sure that all interested faculty had the opportunity to express their opinions. The final plan developed by the FCTF basically takes elements of Franklin's and McConnell's plans. The proposed plan adopts the linear characteristics of the Franklin Plan but has a plan for developing rewards for professional development, service to the college, and institutional advancement that more fully reflects our learning centered culture. This plan was ratified by an overwhelming majority of the faculty in March 2004 and became the Valencia Faculty Compensation Plan.

Valencia Faculty Compensation Plan

For the past two years, the Faculty Compensation Task Force (FCTF) has conducted research, received proposals, and solicited faculty input on a new compensation system. Most recently (January 7th, 2004), the FCTF held a Compensation Day for faculty to clarify key issues affecting compensation. Based on the results from the activities of the FCTF, the Valencia Faculty Association recommends the following compensation plan for tenure and tenure-track faculty at Valencia Community College. This plan, the Valencia Faculty Association Compensation (VFAC) Plan is based on Design Principles approved by the faculty as well as the Board of Trustees.

The following Plan addresses 4 areas or components of compensation: base salary, professional development, institutional effectiveness, and summer supplements. Each of these areas, based on the following Design Principles, is outlined below. The majority of the plan discusses base salary adjustments, as we feel that professional development and institutional effectiveness components should be phased in after the base salaries have been adjusted.

DESIGN PRINCIPLES

Based on feedback from faculty, the design principles were prioritized to reflect which principles were deemed most central to our proposed compensation model.

1. Establish a financially responsible competitive compensation model to attract and retain high quality and productive faculty.
2. Maintain faculty real purchasing power, equity, and morale.
3. Create an incentive system to encourage faculty members to practice professional development throughout their careers.
4. Reward team (faculty & staff) efforts that improve teaching and learning.
5. Link one component of faculty compensation to rewards for excellence in job performance.
(The performance of teaching faculty will be measured by the criteria of student learning; non-teaching faculty members' performance will be measured according to criteria appropriate to their work.)
6. Reward faculty contributions that support Valencia's mission and goals.

AREA I. BASE SALARY

Valencia's current compensation plan is an exponential distribution which has led to the pay disparity shown in Figure 1.

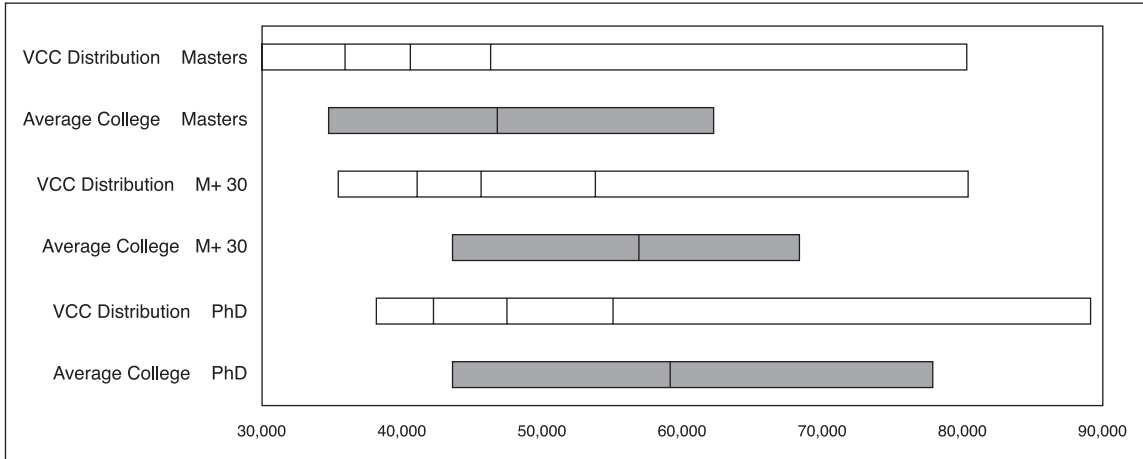


Figure 1. --as reported by McConnell & Co. to the FCTF

Figure 1 data represents market pay as reported in the College and University Personnel Association (CUPA) survey. The CUPA survey is the first ever salary survey conducted on community colleges. It shows that 75% of Valencia's faculty, primarily faculty with 1 to 20 years of service at the College, are paid well below the market average. The top 25% of Valencia's faculty are paid above that average.

In order to "establish a financially responsible competitive compensation model to attract and retain high quality and productive faculty" and "maintain faculty real purchasing power, equity, and morale" (Design Principles #1 & #2), we recommend:

- A 30-step, linear salary distribution where full-time faculty are paid for core duties at the college and maintain buying power at all stages of their careers.
- This proposed distribution will begin with a Master's degree, 10-month, Step 1 salary of \$42,000 and move forward to a \$73,030 salary for a Master's degree, 10-month, Step 30 salary.

Such a pay scale is competitive with other Vanguard colleges.

Maricopa Community College, in Phoenix, Arizona, has similar demographics to Valencia Community College. Their salary structure can be viewed at: [http://www.dist.maricopa.edu/hrweb/wagesal/sal2004/faculty\(2\).pdf](http://www.dist.maricopa.edu/hrweb/wagesal/sal2004/faculty(2).pdf).

To understand the schedule in the 30-year table, an existing faculty member must locate his or her current step for 2003-04 and match it with the corresponding step found under the column titled "New Plan Step." All salaries shown in Figure 2 are for Master's degree, 10-month. The goal will be to move to the new schedule as quickly as possible.

PROPOSED 30-STEP PLAN

(All salaries shown are for Master's degree, 10-month)

Current 03-04 Step	Current 03-04 Salary	New Plan Step	New Salary
2004-2005 New Hires		1	42000
12	32914	2	43070
13, 14	33408 or 33909	3	44140
15	34417	4	45210
16	34934	5	46280
17, 18	35458 or 35989	6	47350
19	36529	7	48420
20	37077	8	49490
21, 22	37633 or 38197	9	50560
23, 24	38771 or 39352	10	51630
25	39943	11	52700
26	40542	12	53770
27, 28	41150 or 41767	13	54840
29	42394	14	55910
30	43030	15	56980
31	43675	16	58050
32	44330	17	59120
33	44995	18	60190
34	45670	19	61260
35, 36	46355 or 47050	20	62330
37, 38	47756 or 48473	21	63400
40, +01	49938 or 50687	22	64470
+02, +03	51447 or 52219	23	65540
+04, +05, +06	53002 or 53797 or 54604	24	66610
+07, +08	55423 or 56254	25	67680
+10, +11	57955 or 58824	26	68750
+13, +14	60602 or 61511	27	69820
+15	62434	28	70890
+17, +18	64321 or 65285	29	71960
+20, +21 (except Doctorate)	67258 or 68268	30	73030

Figure 2. --as found in the Franklin Plan.

Year-to-Year Raises:

The Valencia Faculty Compensation Plan recommends that each year the entire schedule be increased by the cost of living percentage indicated by the southeast United States Consumer Price Index¹, moving the whole schedule up. The progression from Step 1 salary to Step 30 salary shall remain linear. In any given year, the difference in salary from one step to the next will be the same dollar amount for all steps in the scale after the percentage increase. Faculty will be advanced one step per year as the years go by.

Faculty members at current 2003-2004 step +21 Doctorate or higher will be outside of the new 30-step plan and in the Plus scale. It is recommended that each year they receive the same dollar amount increase as those at Step 30 in the new scale receive.

The yearly step and percentage increases for the faculty as a whole will be subject to Presidential recommendation and Board approval year by year, as they always have been.

Education:

In addition, the Valencia Faculty Compensation Plan recommends rewarding faculty for academic work beyond their required level at the time of hire or when advanced degrees are awarded. This recognizes credit hours achieved at an accredited institution that enhance the faculty member's current teaching discipline. The following amounts will be added to/subtracted from the base pay according to degree attained:

- Associate's (4,900)

- Bachelor's (3,500)

- Master's --

- Master's + 30 3,500

- Doctorate 7,000

¹ The Southeast index is believed to be a more sensitive measure of cost of living changes in the Orlando area than national norms.

Market Premium:

The FCTF further recognizes that certain academic fields have periods where there is a great demand for experienced individuals that exceeds the supply. Therefore, an annual salary additive will be implemented for the purpose of hiring such individuals (Design Principle #1). In times where this enhancement shall be necessary, the Valencia Faculty Compensation Plan recommends the following:

- A premium will be granted only during periods in which the market demand for experienced individuals exceeds the supply of individuals available.
- At the time that a Market Premium is deemed necessary, the salary of every faculty member within the specific teaching area will be re-evaluated.
- The structure of the Market Premium, and its criteria and procedures, is work for a committee external to the current Faculty Compensation Task Force.

New Hires:

Because Valencia hires individuals with prior professional experience, the Valencia Faculty Compensation Plan recommends:

- That new hires receive up to a maximum of 15 years of credit or 15 steps for relevant professional experience as a component of a faculty member's base salary
- This will be administered in such a manner that at no point will a current Valencia faculty member be at an advantage to quit and be re-hired by the institution.
- The plan will be administered in such a way that at no point will a new hire with less experience be at a higher salary than a Valencia faculty member with more experience in the same teaching area.

AREA II. PROFESSIONAL DEVELOPMENT

In meeting Design Principles #3, #4, & #5, the FCTF recommends that professional development be rewarded monetarily when a faculty member demonstrates achievement in activities designed to improve his or her professional skills that are directly linked to improving teaching and/or student learning.

It is beyond the scope and resources of the FCTF to design this Professional Development component. The process for such a venture should be given to a faculty-led committee appointed by the Faculty Association Board. We believe it will only be through adequate time, feedback and reflection that such a component can be successfully created and implemented.

Faculty feedback on the Compensation Day suggested specific Design Principles for such a component. Based on feedback from faculty, the Design Principles were prioritized to reflect which principles were deemed most central to the development of this component of the compensation model.

1. Compensation for Professional Development will be an enhancement to an already competitive faculty base salary schedule.
2. The Professional Development component will be flexible enough to account for differences between various teaching disciplines and offer a wide range of opportunities for individual preferences of faculty.
3. The Professional Development component will have objective, consistent criteria.
4. The Professional Development component will be developed by faculty in consultation with deans and the Chief Learning Officer or her designees.
5. The Professional Development component will be available to all tenured and tenure-track faculty, who meet the established criteria, regardless of length of service.

A committee, composed primarily of faculty members chosen by the College-wide Faculty Association Board, will oversee the implementation of the Professional Development component. This committee will have authority to settle disputes, make interpretations and recommend changes.

AREA III. INSTITUTIONAL EFFECTIVENESS

In accordance with Design Principles #4, #5 & #6, the Institutional Effectiveness component will monetarily reward faculty members for their individual and team efforts in support of student learning, in service to the college, and in meeting the college's mission, goals and objectives. The funds for this component would vary year by year depending on funds available and would never be taken from base salary adjustments. The process for such a venture should be given to a faculty-led committee appointed by the College-wide Faculty Association Board.

Faculty input on the Compensation Day suggested specific Design Principles for such a component. Based on feedback from faculty, the design principles were prioritized to reflect which principles were deemed most central to our proposed compensation model.

1. An Institutional Effectiveness component will be an enhancement to an already competitive faculty base salary schedule.
2. Assessment shall be based on clearly defined, measurable criteria that do not lead to negative, unintended consequences, such as grade inflation, at the expense of student learning. Faculty-led teams, made up of both faculty and deans, should develop these criteria.
3. The Institutional Effectiveness component shall have a simple faculty-monitored documentation and evaluation process requiring minimal bureaucracy.
4. There shall be a wide range of options for activities that support learning across all disciplines.
5. Institutional Effectiveness monies shall reward activities that support student learning or other departmental, campus, college, or community goals.
6. Every faculty member who meets the performance criteria shall receive the Institutional Effectiveness reward.
7. Institutional Effectiveness monies shall reward both individual and team efforts.

AREA IV. SUMMER SUPPLEMENT (NON-CONTRACTED PAY)

The FCTF recommends that the option of a summer supplemental contract be available to all full-time tenured and tenure-track faculty members whenever possible. However, the FCTF's original charge was to recommend a compensation plan that would address 10-month contracted salaries. Since summer supplements were not a part of the original charge of this committee and are an enhancement to the faculty member's base salary, the Valencia Faculty Compensation Plan recommends continuing the current practice of paying the summer supplement at 20% of base salary.

ADDITIONAL RECOMMENDATIONS

The Valencia Faculty Compensation Plan recommends that:

- The faculty compensation system should be reviewed periodically to ensure that it adheres to its original design principles.
- The faculty compensation system should be reviewed periodically to ensure that no inequities have occurred, and, if this has happened, they should be corrected with all due haste.

TRANSITION ISSUES

As the College transitions from the old compensation plan to the new one, the FCTF recommends:

- A transition period from the current faculty compensation system to the new compensation plan be established.
- A committee be established with equal membership of faculty and representatives from Human Resources to handle any problems that occur during the transition period.
- An appeal process be established for all faculty who wish to appeal their position on the current salary schedule during the transition period.
- Under the new compensation model, no faculty member will receive a salary (10 month or 12 month) that is less than he/she currently receive.
- Faculty on the current step system will be transitioned to the new schedule by locating their current step for 2003-04 and by matching it with the corresponding step found under the column titled "New Plan Step" (Figure 2).
- Any faculty member who has 25 or more years of VCC tenure-track service as of the start of the 2004-2005 academic year be offered a one-time election to remain on the current compensation plan.

Appendix A
McConnell Plan

Valencia Community College - Faculty Compensation Study

Final Recommendations

November 30, 2003

Agenda

- Objectives & Study Overview
- Analysis of Market Competitive Pay
- Proposed Compensation Architecture
- Comparison of Proposed Structure to Current & Market
- Transition

Note: All salary amounts shown in this report for the proposed structure are preliminary. Based on trends in competitive market pay and the budgetary constraints of transitional costs, these amounts will change before implementation for the 2004-05 school year.

Study Objective

- McConnell & Company was retained by the Faculty Compensation Task Force (FCTF) to provide recommendations for changes to the Faculty Compensation program that will:
 - Establish a competitive compensation model to attract and retain high quality and productive faculty at all stages of their careers.
 - Reward improvements in faculty performance as measured by gains in student learning.
 - Create an incentive system to encourage faculty members to practice professional development throughout their careers.
 - Reward team (faculty and staff) efforts that improve teaching and learning.
 - Maintain faculty real purchasing power, equity and morale.
 - Reward faculty contributions that support Valencia's mission and goals.

Overview of Study Deliverables

- Internal Fact Finding
 - Review documentation and other background material
 - Discussions with FCTF
 - Conduct interviews and focus groups
- External Fact Finding
 - Literature search of “Best Compensation Practices”
 - Survey market competitive pay levels
- Based on internal and external fact finding, design a pay program that would be suitable for newly hired faculty.
- Develop an implementation plan that transitions current faculty to the new plan in a manner that fits within budgetary constraints and which minimizes the adverse impact on individuals.

Market Pay Perspectives

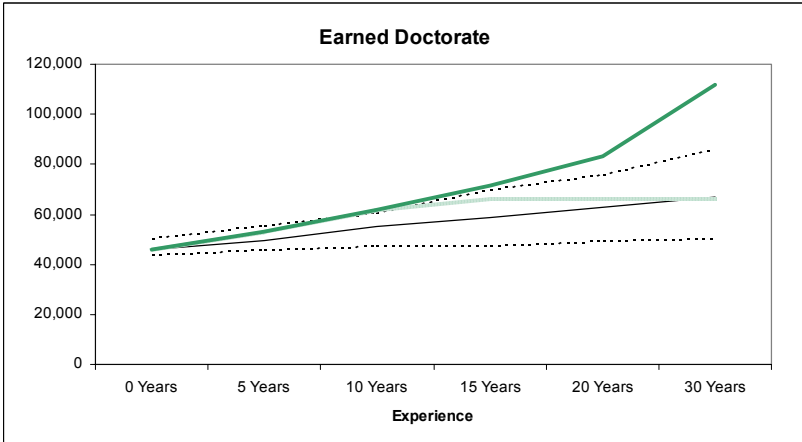
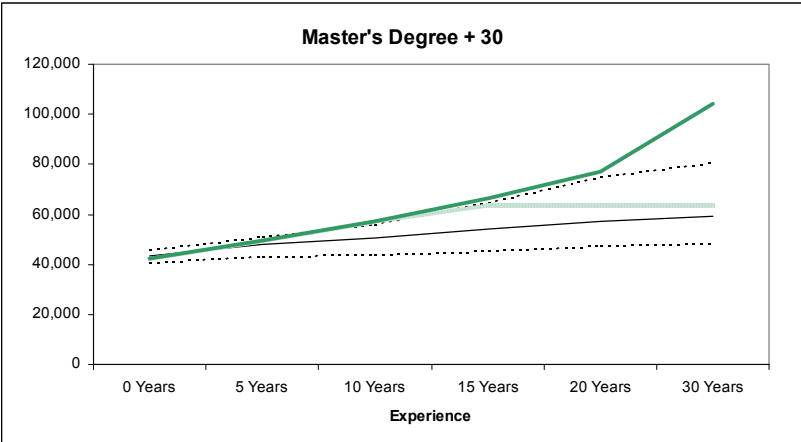
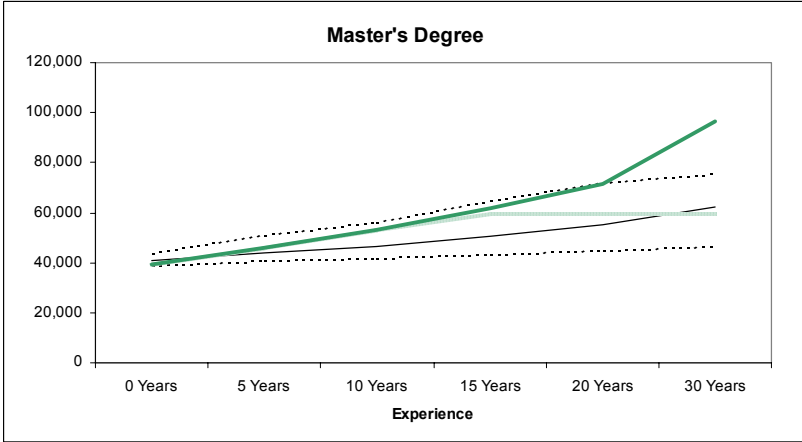
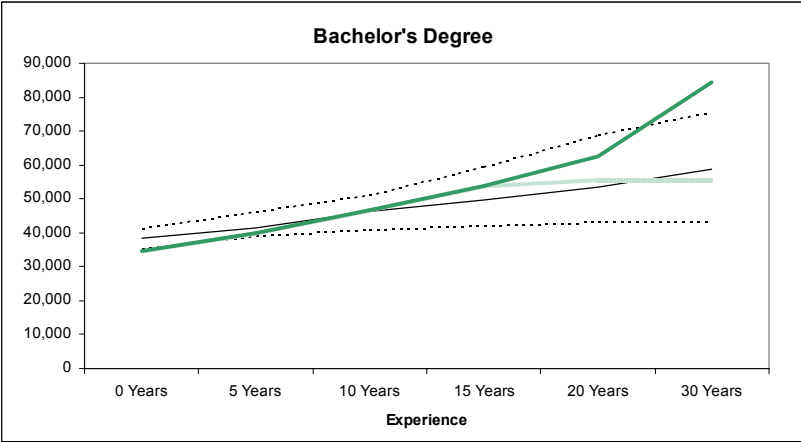
- Two sources were used to develop a perspective on market competitive compensation – a national survey of community college pay conducted by the College and University Personnel Association (CUPA) and a custom survey conducted by McConnell & Company.
- The CUPA survey reports data on salary structures and the range of actual pay received by faculty. This data is very broad, representing 255 colleges.
- The custom survey was sent to 50 of the largest community colleges in the country including the Vanguard colleges. The consultants and the FCTF agreed that these colleges represent the most appropriate perspective on market competitive compensation for VCC.
 - We received completed surveys from 19 schools (38%).
 - The survey collected data on salary structures in relation to degrees held and service recognized.
 - It also provided information on key pay practices.
- In looking at competitive compensation levels, it is important to understand the difference between **salary structures**, which represent pay policy and **actual pay**, which reflects an organization's mix of experience and other pay factors.

Market Pay Perspectives (con't)

- The charts on the following page show VCC's current **salary structure** in relation to the market as defined by the custom survey. One chart is shown for each level of degree attained.
 - The lines that represent the market data shows the range of competitive pay provided at various levels of experience (e.g., no experience, 5 years, etc.). The lowest dotted line on each chart joins the points that represent the 25th percentile* of practice. The highest dotted line is the 75th percentile. The middle solid thin line is the market median. All market data has been adjusted to a standard work year of 194 days.
 - The lighter green line is VCC's structure with the maximum applied. The heavy solid green line is the structure extended by 3% per year (i.e., 2 steps).
- As a general rule, VCC hires teachers without any experience at a level that is about equal to the 25th percentile of competitive practice. This rate is within the "market" which is typically defined as the range between 25th and 75th percentile of competitive practices. But it is not very competitive. This explains the difficulty that VCC has had in hiring new staff.
- Except for Bachelor's degrees, VCC's structures rise to the median of the market after about five years. They exceed the 75th percentile after 20 years if the maximum is not applied. If the maximum is applied, the competitive posture declines from the 75th percentile back to the median.

* If 100 people lined up in order by their salary, the pay of the person who is 25th in line would be the 25th percentile. The pay of the seventy-fifth person in line would be the 75th percentile. The median is the middle number in a group of numbers arranged in order.

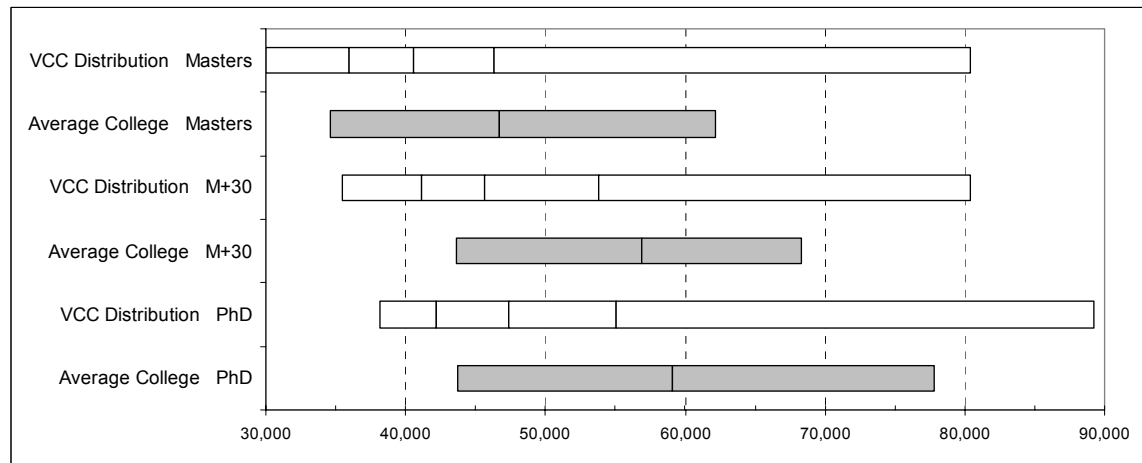
Current Structure vs. Market



Light dotted lines represent 25th and 75th percentile of competitive practice. Light solid line is median. Market derived from survey of Top 50 colleges (including Vanguard). The thick green lines are VCC's current salary structure with and without the maximum applied.

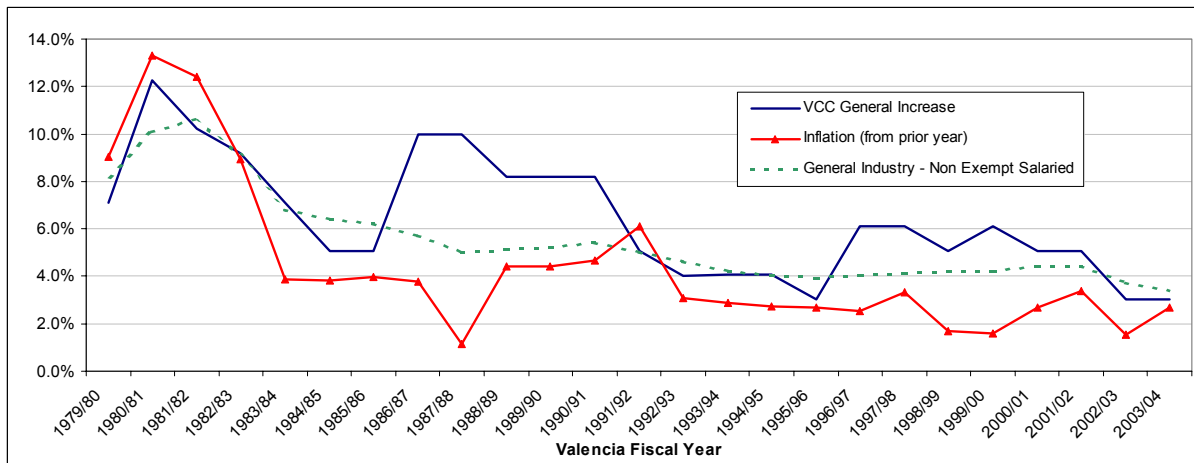
Distribution of Compensation

- The chart below shows the distribution of VCC's **actual pay** in relation to the range of actual compensation reported in the CUPA survey.
 - The VCC data are shown as the four end-to-end bars which represent the range of pay for the lowest paid 25% of the faculty, the 2nd 25%, the 3rd 25% and the top 25%
 - The market pay is shown in terms of two adjacent bars: the range from the average lowest paid faculty member to the average paid faculty member; and the range from the average paid faculty member to the average highest paid faculty member.
- The analysis shows that 75% of VCC's faculty are paid below the market average. But the top 25% of VCC faculty in terms of pay are paid well above that average. In the market, the highest paid earn about 90% more than the lowest paid. At VCC, this percentage is 140%.



General Increase History

- Historically, VCC has increased faculty compensation faster than inflation and general industry.
- The graph below shows the history of VCC's general increases in comparison to the CPI change from the year before and the average increase provided by general industry.
 - 2002-03 VCC general increase shown with 2001 Consumer Price Index (CPI) – the latest statistic available when the increase was made.
 - General industry increases were obtained from 30th annual Salary Budget Survey conducted by World at Work. Data shown is average for all U.S. survey participants of historical increases for non exempt salaried employees.
- Over the last 25 years, VCC general increases have exceeded CPI by a compound average of about 2.0% per year. VCC increases have exceeded general industry by about .5% to 1.0%.
- However, it is important to note that VCC's starting salaries have not increased at the same rate. Over the last 25 years, the annual growth in these rates has lagged VCC's general increase by 2% to 3%. This is the reason there is so much pay disparity at VCC.

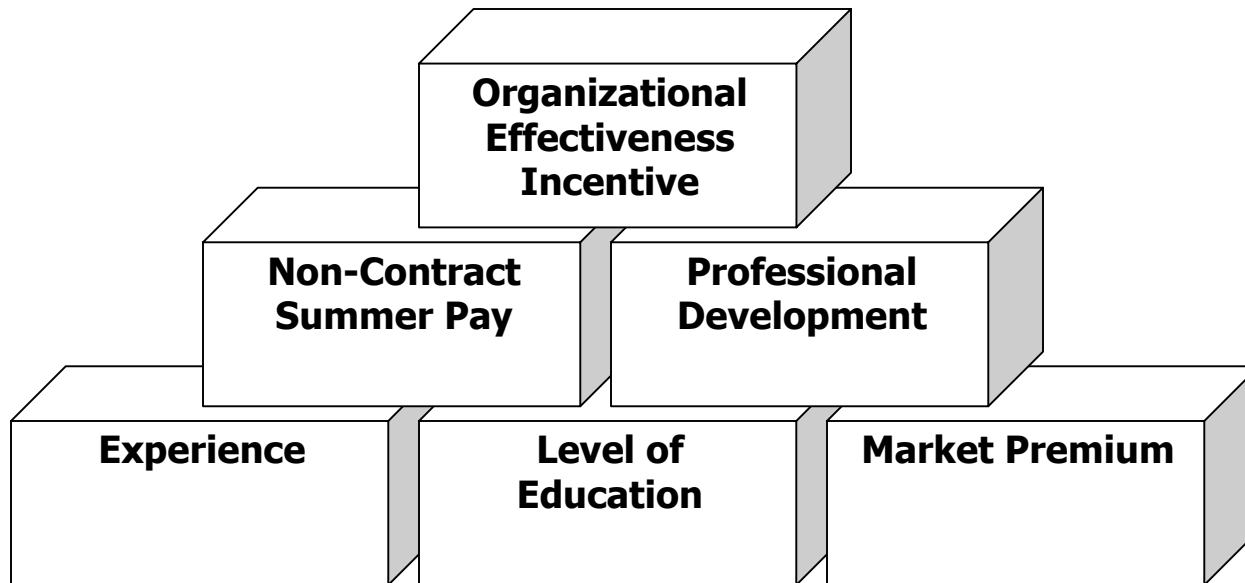


Market Analysis Conclusions

- Entry-level pay rates are low when compared to the target peer group (i.e., Top 50 Community Colleges including Vanguard colleges), but within a market range. Such a posture can be competitive if salary administration practices accelerate increases for new hires. This is not the case at VCC. Because increases are a uniform percentage, the largest dollar increases flow to the highest paid. This approach makes it mathematically impossible for new hires to ever catch-up to existing faculty.
- Without the application of VCC's current maximum, the compensation paid to long service employees is well above the 75th percentile of competitive practices. Thus, on balance Valencia's current **salary structure** is competitive.
- However, VCC's average **actual compensation** is below market. This is primarily due to the fact that VCC has grown faster than most of its peer schools. VCC has added a significant number of staff that is paid below the market average because of low starting salaries and short tenure.
- The primary issue at VCC is not the dollars expended on compensation, but the equity in the distribution of those dollars. To provide equitable pay between long-service employees and short service employees, a new compensation plan must provide a means that accelerates the pay of shorter service employees so that they are able to catch up to the market.

Proposed Compensation Architecture

- The architecture of the proposed plan bases the value of an individual faculty member's compensation on a series of building blocks. The building blocks support consistency in the pay of faculty while also allowing individuals to tailor and shape the total dollar value of the package to their interests, contributions and achievement. Each building block contributes to the final number.



Proposed Compensation Architecture (con't)

- The building blocks are:
 - Experience & Education: 12-month compensation for the “raw” material faculty bring to the job – their relevant prior work experience and level of education. Adjusted annually in line with competitive practices.
 - Market Premium: Extra pay, as required, to reflect supply/demand imbalances in labor market for needed areas of expertise.
 - Non-Contract Summer Pay: Although the standard contract and work year is 10 months, most faculty members teach both summer sessions, for a 12 month contracts. If one or more of the summer sessions are not taught, this Summer Pay is subtracted to compute the 8 or 10 month rate.
 - Professional Development: Additional increments to salary that can be earned through professional development, community/college involvement, and advancement of learning.
 - Organizational Effectiveness Incentive: A contingent form of compensation that rewards the entire faculty for achievement of the institution’s goals and a pool of funds to recognize unique and noteworthy achievements.

Experience and Education

- To maintain an affordable cost structure, VCC should continue to hire new faculty at a rate about equal to the 25th percentile of competitive practice. These new faculty are then put on an “acceleration track” that will increase their starting rate to a market premium level over a period of 20 years. Thereafter, their “guaranteed” pay will continue to increase with market trends.
- This is done through the adjacent experience schedule that increases the pay for a new faculty member with a Masters degree from \$40,075 to \$57,575 over 20 years (i.e., \$875) per year plus any market increases that will be reflected in the schedule.
- For example, assume that the market pay level increases by 2%. The pay applicable to a faculty member with 1 year’s experience would then increase to \$41,769. The new teacher’s salary would thus increase from \$40,075 to \$41,769 – a 4.6% total increase.
- Continuing that example, the “top rate” of \$57,575 would increase to \$58,727 for a \$1,152 or 2% increase to all faculty with 20 or more years of experience.

Experience

Step	12 Month
00	40,075
01	40,950
02	41,825
03	42,700
04	43,575
05	44,450
06	45,325
07	46,200
08	47,075
09	47,950
10	48,825
11	49,700
12	50,575
13	51,450
14	52,325
15	53,200
16	54,075
17	54,950
18	55,825
19	56,700
20	57,575

Experience and Education (con't)

- The Experience structure is adjusted as shown in the adjacent table to reflect premiums for a Masters + 30 hrs, a Doctorate (not in Field), and a Doctorate (in Field). Conversely, the rate is reduced if the individual only has a Bachelor's or Associates degree.
 - Thus for example, the starting rate for an individual with a Master plus 30 hours would be \$36,500 (i.e., \$33,500 plus \$3,500)
- This constant dollar adjustment is consistent with the widely held point of view (within VCC) that the relative value of advanced degrees diminishes over time.

Level of Education

Deg		Incr
A	Associate's	(4,900)
B	Bachelor's	(3,500)
C	Masters	-
D	Master's + 30	3,500
E	Doctorate (not in field)	7,000
F	Doctorate (in field)	7,000

Market Premium

- Some academic fields have periods during which there is a market demand for experienced individuals that exceeds the supply. In this case, competitive compensation from non-teaching employers will push prevailing pay levels to a point where VCC's compensation structure is not competitive.
 - Current examples include nursing and engineering. In previous years, there was a significant demand imbalance for Information Technology. Since the collapse of the dot.com sector, this imbalance has abated somewhat.
- For those disciplines where there are difficulties hiring staff, the new structure will include a "market premium" that will annually be adjusted up or down as demand changes.
 - The premium will apply to all faculty within a discipline
 - The market premium will be a separately identified item on the pay stub.
 - A committee composed of Faculty, Human Resources and Deans will determine which disciplines warrant a market premium and the amount of such premium.
 - The committee will associate each market premium discipline with a specific market pay reference. As the reference increases or decreases relative to other faculty pay each year, the premium will be increased or decreased.

Non-Contracted Summer Pay

- Most faculty contracts are based on 10 months service (i.e., 194 days) and anticipate the teaching of one summer session. Faculty who teach the second summer session are currently paid an additional 20% of their base salary. This approach magnifies pay inequities and over compensates for the relative length of the summer term (i.e., $29 \text{ days}/194 \text{ days} = 15\%$ or $2 \text{ credits}/12 \text{ credits} = 16.7\%$).
- The proposed compensation plan was developed by looking at the total compensation appropriate for 12 months of work (223 days) relative to the market. In the proposed plan, Faculty who do not teach one or more summer sessions will have their pay rate reduced by \$7,000 for per session. This rate will be adjusted annually along with the Experience & Education structures as appropriate.
- This flat rate reduction fully compensates faculty for their “intellectual capital” (i.e., their experience and education), regardless of whether they work the full academic year.

Professional Development

- This component offers faculty the opportunity to earn additional compensation by demonstrating achievement of specific development activities over a period of 3-5 years. When achieved, the faculty member is rewarded with a meaningful pay increase, over and above that provided by the Experience and Education structures.
- Conceptually similar to Valencia's Tenure Track, this program continues throughout a faculty member's career. The program would be designed as a self-correcting system and would require a governing body similar to the Training/Learning Academy to each plan and monitor each participant's progress. Rotating members of this governing body, will develop/approve developmental a plan for each program participant, consisting of activities that support Valencia's mission, vision and goals.
 - Overall, the activities would be designed in such a way that their completion would be a largely objective, rather than subjective, observation.
- Every faculty member would be eligible to participate. It would be an "opt-in" program, that enables but does not require faculty to participate.

Professional Development (con't)

- As shown in the adjacent table, by successfully completing a development plan, a faculty member can increase his or her salary by \$16,625 over the course of their career.
- This program will also provide a very significant financial reward (\$2,625) for achieving tenure.

Professional Development

Level		Incr
A	None	-
B	Tenure	2,625
C	Level 1	4,375
D	Level 2	6,125
E	Level 3	7,875
F	Level 4	9,625
G	Level 5	11,375
H	Level 6	13,125
I	Level 7	14,875
J	Level 8	16,625

Organizational Effectiveness Incentive

- Annually, VCC will include in the budget for faculty compensation a “pool” of dollars equal to about 4% of total faculty salaries. For the first year, we recommend a pool with a maximum award of \$2,500 per faculty member.
- VCC will also establish a number (no more than 4) key goals relating to the College’s performance. Goals should primarily relate to measures of student learning and could include:
 - Graduations (i.e., AA degrees conferred)
 - Turnover (i.e., minimizing)
 - Faculty approval ratings (by students)
 - Enrollment
 - Aggregate controllable expenses
 - Evidence of student learning
- Each Department will establish similar goals which link to the overall VCC goals.

Organizational Effectiveness Incentive (con't)

- If all (or a portion) of the goals are achieved, all (or a portion) of the money in the pool will be paid to the faculty. Awards will be based 50% on overall VCC goals and 50% on the Department goals.
- This money will be distributed on a per capita basis, adjusted as appropriate for part-time or limited class-loads.
- VCC will also allocate a portion of the funds to recognize the contributions of individual faculty or teams of faculty as determined by the President.

Summary

Valencia Community College Faculty Pay Structure 2003-04

<i>Experience</i>		<i>Level of Education</i>	
Step	12 Month	Educ	Incr
00	40,075	A Associate's	(4,900)
01	40,950	B Bachelor's	(3,500)
02	41,825	C Masters	-
03	42,700	D Master's + 30	3,500
04	43,575	E Doctorate (not in field)	7,000
05	44,450	F Doctorate (in field)	7,000
06	45,325		
07	46,200		
08	47,075		
09	47,950		
10	48,825		
11	49,700		
12	50,575		
13	51,450		
14	52,325		
15	53,200		
16	54,075		
17	54,950		
18	55,825		
19	56,700		
20	57,575		
21	57,575		
22	57,575		
23	57,575		
24	57,575		
25	57,575		
26	57,575		
27	57,575		
28	57,575		
29	57,575		
30	57,575		
<i>Market Premium</i>			
Mkt			Incr
0	None		-
1	Nursing		4,900
2	Business		3,500
3	Information Technology		3,500
4	Engineering		4,900
<i>Professional Development</i>			
Level			Incr
A	None		-
B	Tenure		2,625
C	Level 1		4,375
D	Level 2		6,125
E	Level 3		7,875
F	Level 4		9,625
G	Level 5		11,375
H	Level 6		13,125
I	Level 7		14,875
J	Level 8		16,625
<i>Organizational Effectiveness Incentive</i>			
Maximum Incentive of			2,500

Examples

Newly hired teacher with no prior experience who has a Master's +30

Step	00	40,075
Educ	D Master's + 30	3,500
Mkt	0 None	0
Level	A None	0
12-month pay		43,575
less second session		(7,000)
10-month pay		36,575

Teacher with 10 year experience who has a Master's and has achieved level E

Exper	10	48,825
Educ	C Masters	0
Mkt	0 None	0
Level	E Level 3	7,875
12-month pay		56,700
less second session		(7,000)
10-month pay		49,700

Engineering Instructor with 5 year experience who has a PhD and has achieved Tenure

Exper	05	44,450
Educ	F Doctorate (in field)	7,000
Mkt	4 Engineering	4,900
Level	B Tenure	2,625
12-month pay		58,975
less second session		(7,000)
10-month pay		51,975

Worksheet

Valencia Community College Faculty Pay Structure 2003-04

Experience	
Step	12 Month
00	40,075
01	40,950
02	41,825
03	42,700
04	43,575
05	44,450
06	45,325
07	46,200
08	47,075
09	47,950
10	48,825
11	49,700
12	50,575
13	51,450
14	52,325
15	53,200
16	54,075
17	54,950
18	55,825
19	56,700
20	57,575
21	57,575
22	57,575
23	57,575
24	57,575
25	57,575
26	57,575
27	57,575
28	57,575
29	57,575
30	57,575

Level of Education		
Educ		Incr
A	Associate's	(4,900)
B	Bachelor's	(3,500)
C	Masters	-
D	Master's + 30	3,500
E	Doctorate (not in field)	7,000
F	Doctorate (in field)	7,000

Market Premium		
Mkt		Incr
0	None	-
1	Nursing	4,900
2	Business	3,500
3	Information Technology	3,500
4	Engineering	4,900

Professional Development		
Level		Incr
A	None	-
B	Tenure	2,625
C	Level 1	4,375
D	Level 2	6,125
E	Level 3	7,875
F	Level 4	9,625
G	Level 5	11,375
H	Level 6	13,125
I	Level 7	14,875
J	Level 8	16,625

Organizational Effectiveness Incentive
Maximum Incentive of 2,500

Experience

1. Years of VCC tenure track teaching experience _____
 2. Years of full-time teaching experience at a regionally accredited institution _____
 3. Years of relevant non-teaching experience (credit with 1 year teaching experience for 3 years) _____
 4. Total credited experience _____
- Look up 12-month rate based on one step for every year of experience up to 20 _____

Education

Look up difference in pay for your highest degree _____

Market Premium (if applicable)

Look up market premium for your department _____

Professional Development

1. Date awarded tenure at VCC _____
2. Years of service since achieving tenure _____
3. Levels achieved – divide years in #2 by three, ignoring any fractions (e.g., 3 years = 1, 4 years = 1, etc.) _____

Look up level achieved in adjacent table _____

12-Month Salary (total of four components above)

less Non-contracted Summer Pay

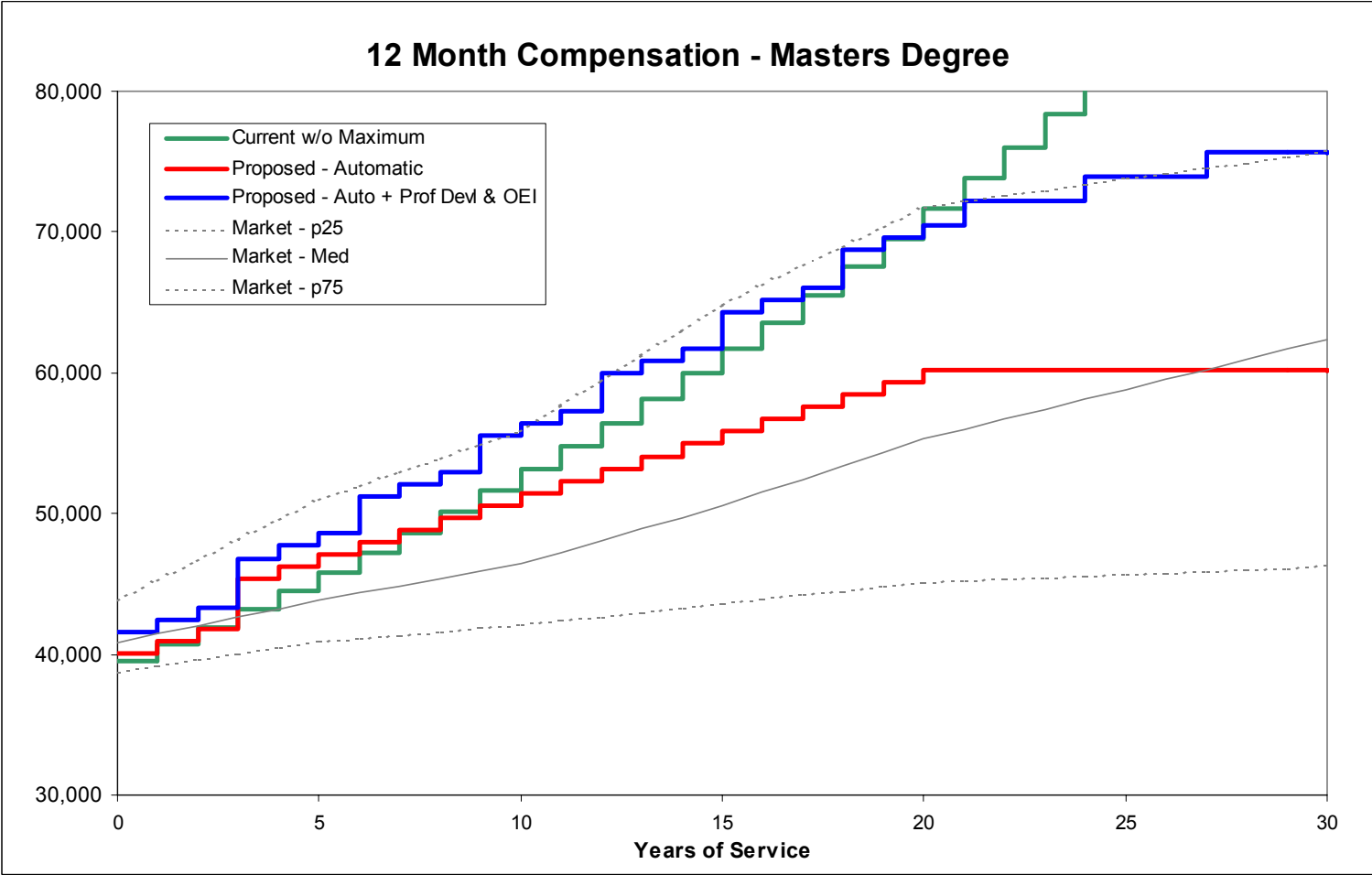
- \$7,000

10-Month Salary

Current vs. Proposed Structure

- The chart on the following page shows the current and proposed structure for a Master's degreed faculty member in relation to the market as defined by the custom survey.
- The lines that represent the market data shows the range of competitive pay provided at various levels of experience (e.g., no experience, 5 years, etc.). The lowest dotted line on each chart joins the points that represent the 25th percentile of practice. The highest dotted line is the 75th percentile. The middle solid thin line is the market median. All market data has been adjusted to a standard work year of 223 days.
- The current structure is shown as a green line
- The red line shows the automatic portion of the new structure – i.e. the rate derived from experience, education and summer supplements (market premiums are ignored).
- The blue line shows the total compensation (i.e., the automatic components plus Professional Development plus Organizational Effectiveness Incentive) assuming that an individual passes through a Professional Development level every three years.
 - The Organizational Effectiveness Incentive is assumed equal to 60% of Maximum or \$1,500.

Current vs. Proposed Structure (Master's)



Transition

- The simplest approach to transition from an existing compensation structure to a new structure is to calculate a new rate of pay for everyone based on the new structure. If someone's current pay is below the new level, their pay is increased. If the current pay is above the new rate, the pay is reduced. This approach is rarely used.
- More typically, those below the new rate are brought up to that rate over a period of time, depending on the amount of money available to fund raises. Those paid above their new rate are typically handled in one of three ways:
 - They are frozen at their current pay level until the new structure, through annual adjustments, catches up to their pay.
 - They experience some measure of increase in compensation, most often, the range movement.
 - Those that are within some specified range of retirement are sometimes allowed to remain on the old compensation plan for a fixed period of time or until retirement.

Transition (con't)

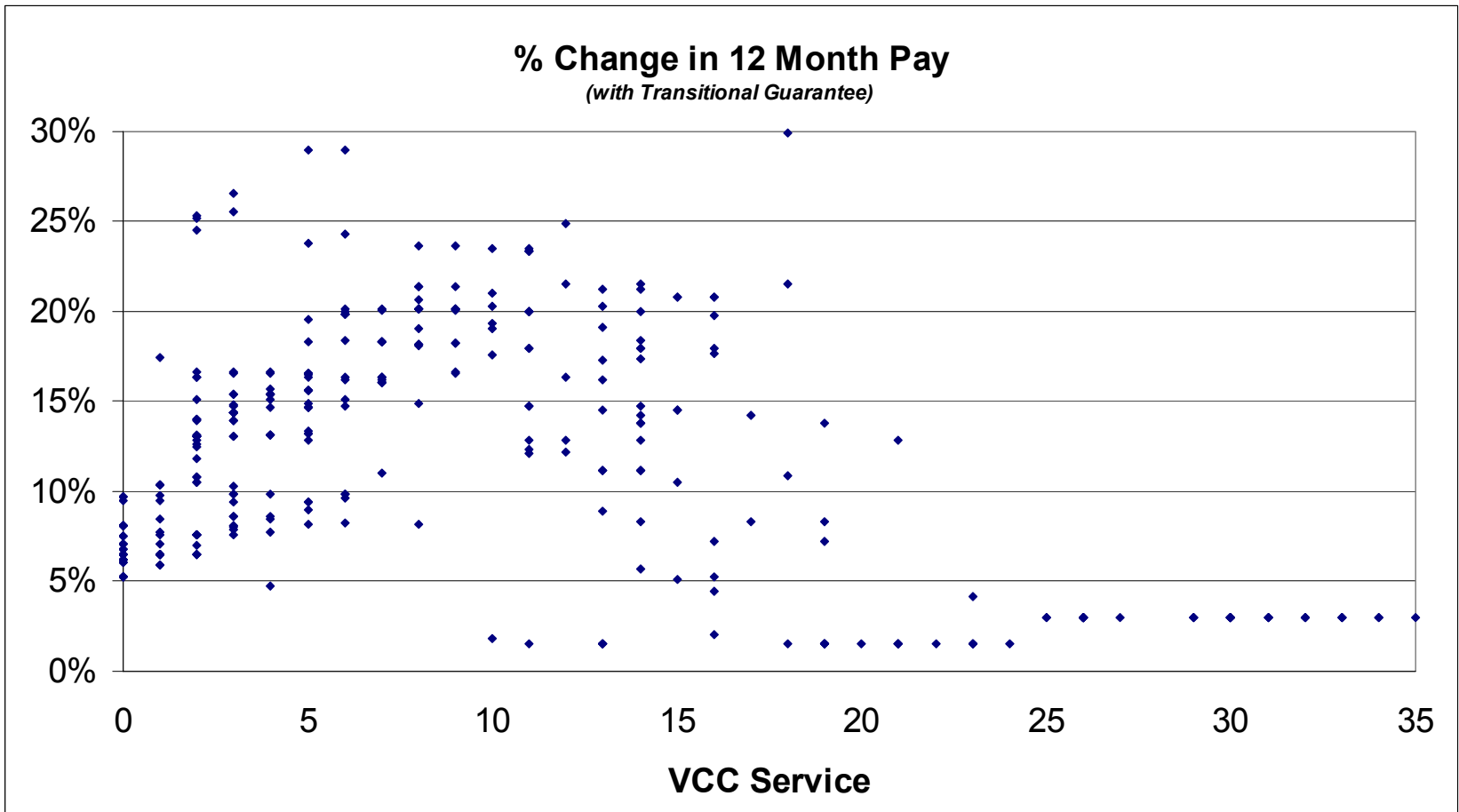
- The following transition rules are recommended for VCC:
 - Any faculty member who has 25 years of VCC tenure track service as of the start of the 2004-05 school year will be offered a one-time election to remain on the current compensation plan (i.e., 31 out of the 335 full time faculty – 9%)
 - No one will receive a salary (10 month or 12 month) that is less than they currently receive. For 2004-05 and each year thereafter, all faculty members will receive a minimum salary increase equal to the market adjustment applied to the salary structure (estimated at 1.5% to 2% for 2004-05)
 - HR will examine the work experience of each faculty member to ensure that there is consistency in the application of prior experience rules. All full-time college teaching experience at a regionally accredited institution will be fully recognized (both VCC and non-VCC) and any non-teaching work experience will be credited at the rate of one year of teaching experience for each three years of general work experience.
 - Faculty members will be credited with completing one Professional Development level for each complete three years (as of the start of 2004-05) period of service since the attainment of tenure. Thereafter, progression will be based on the completion activities specified in each faculty member's development program.
 - The existing approach of starting various market premium disciplines at higher steps will be replaced by an explicit market premium as proposed.

Transition (con't)

- Based on data provided by VCC Human Resources, we projected the 2004-2008 compensation for each of the 335 full-time faculty assuming no turnover and that all faculty would teach a summer supplement. The projection of the current compensation plan assumed that each faculty member would continue to receive 3% (two-step) annual increases. The cost of the proposed plan was calculated assuming an annual market pay adjustment of 1.5%. It was assumed that the Organizational Effectiveness Incentive would not be expensed until the 2005-06 academic year.
- The proposed plan can be fully implemented during 2004-05 at a cost of approximately \$1.5 million. Eighty-five percent of faculty will receive a higher 04-05 salary under the proposed plan than they would have under the current. The graph on the following page shows the estimated individual percentage increases in pay in relation to VCC experience.

<u>Academic</u> <u>Year</u>	<u>Current Plan</u>		<u>Proposed Plan</u>		<u>Increase</u>	<u>% Incr</u>
	<u>Faculty Payroll</u>	<u>Annual</u> <u>Incr</u>	<u>Faculty Payroll</u>	<u>Annual</u> <u>Incr</u>		
2003-04	18,686,000		18,686,000			
2004-05	19,251,000	3.0%	20,790,000	11.3%	1,539,000	8.0%
2005-06	19,833,000	3.0%	22,022,000	5.9%	2,189,000	11.0%
2006-07	20,432,000	3.0%	22,660,000	2.9%	2,228,000	10.9%
2007-08	21,050,000	3.0%	23,515,000	3.8%	2,465,000	11.7%
2008-09	21,686,000	3.0%	24,248,000	3.1%	2,562,000	11.8%
Sum 04-08	102,252,000		113,234,000		10,982,000	10.7%

Transition (con't)



Appendix B

Franklin Plan

**THE VALENCIA COMMUNITY COLLEGE FACULTY-DESIGNED
FACULTY COMPENSATION PLAN
AUTHOR: JIM FRANKLIN
DECEMBER 9, 2003**

THE FACULTY COMPENSATION PLAN DESCRIBED IN THIS DOCUMENT IS DESIGNED ACCORDING TO THE FOLLOWING DESIGN PRINCIPLES, WHICH WILL BE REFERRED TO THROUGHOUT THE DOCUMENT:

COMPENSATION COMMITTEE DESIGN PRINCIPLES

Design Principles for Revisions to the Faculty Compensation System
(Approved by the District Board of Trustees on December 10, 2002)

1. Establish a financially responsible, competitive compensation model to attract and retain high quality and productive faculty.
2. Link one component of faculty compensation to rewards for excellence in job performance. The performance of teaching faculty will be measured by the criteria of student learning; other faculty members' performance will be measured according to criteria appropriate to their work.
3. Create an incentive system to encourage faculty members to practice professional development throughout their careers.
4. Reward team (faculty and staff) efforts that improve teaching and learning.
5. Maintain faculty real purchasing power, equity, and morale.
6. Reward faculty contributions that support Valencia's mission and goals.

GENERAL OUTLINE OF THE FRANKLIN COMPENSATION PLAN RECOMMENDATION

This outline provides general information about how the proposed plan will work. Please read the whole document carefully in order to understand all of the details of the plan.

1. First address Design Principles 1 and 5 by establishing and maintaining through the years a Thirty-Step Scale of Ten Month Base Salaries that pays us well for our core duties at the college and maintains our buying power at all stages of our careers, including approaching and entering retirement. This will be done using a two-year transition from our current Master's Degree Ten-Month Base scale to a Thirty-Step Master's Degree Ten-Month Base Scale in 2005-2006 that is a linear progression from a Step One salary of \$42,000 to a Step Thirty salary of \$73,030. I understand our basic core duties to be teaching our classes and engaging in college and department activities that facilitate the teaching of our classes in a manner that promotes and motivates student learning. The pay represented in this base scale is meant to be the money we use to pay our bills, comfortably provide for our families, and invest and save for the future throughout our careers at the college and beyond into retirement.

2. **After** establishing the base pay above, address Design Principles 2, 3, 4, and 6 with a Professional Development and Learning Component that pays us additional money (this means extra money, not included in the base pay described above) for additional work beyond that which we do in the performance of our core duties at the college.

3. Plan Highlights

A. Master's+30 faculty members will be paid \$3500 more for their 10-month base than those with just a Master's Degree.

B. Faculty members with a Doctorate Degree, whether in their teaching area or not, will be paid \$7000 more for their 10-month base than those with just a Master's Degree.

C. Faculty with just a Bachelor's Degree will be paid only \$3000 less for their 10-month base than those with just a Master's Degree.

D. Each year, Summer Supplemental Contracts for 10-month faculty will be paid at 20% (as they have been in the past) of Ten Month Base Salary as listed in the Faculty Learning Level Salary Schedule later in this document. I have given this a lot of thought, and I feel that since we are contracted for 10-months, working the extra summer session is an extra service to the college that should be paid at a premium.

E. Twelve month faculty pay will be ten-month pay plus the 20% Summer Supplemental in D. above.

F. Faculty members at current 2003-2004 steps +21 Doctorate or higher will be outside the Thirty-Step Scale. They will be in the Plus Scale. They will receive a 3.02% increase to their current Master's, Master's+30, or Doctorate Ten-Month Base for 2004-2005, and another 3.02% increase on top of this for 2005-2006. Beginning in 2006-2007, they will receive the greater of 3.02% and the percent increase that those in the Thirty-Step Scale receive.

G. Starting in the year after they reach step thirty in the Thirty Step Scale, faculty members will enter the Plus Scale, and receive as their yearly raise the greater of 3.02% and the percent increase that those in the Thirty-Step Scale receive.

H. The Professional Development and Learning Component of the plan will provide a broad range of endeavors, both academic and non-academic, for which faculty members will receive extra pay above and beyond that which they receive in their base pay. **Note that base pay will not in any way, shape, or form be dependent on these endeavors.**

I. Starting in 2004-2005, new hires will be credited with up to ten years of service for prior college teaching experience at any regionally accredited institution. Each year of prior service will be credited as one year of Valencia Community College service.

J. The Faculty Compensation System will be reviewed periodically to insure that it adheres to its original design and to correct any inequities that may occur.

ADJUSTMENT PHASE

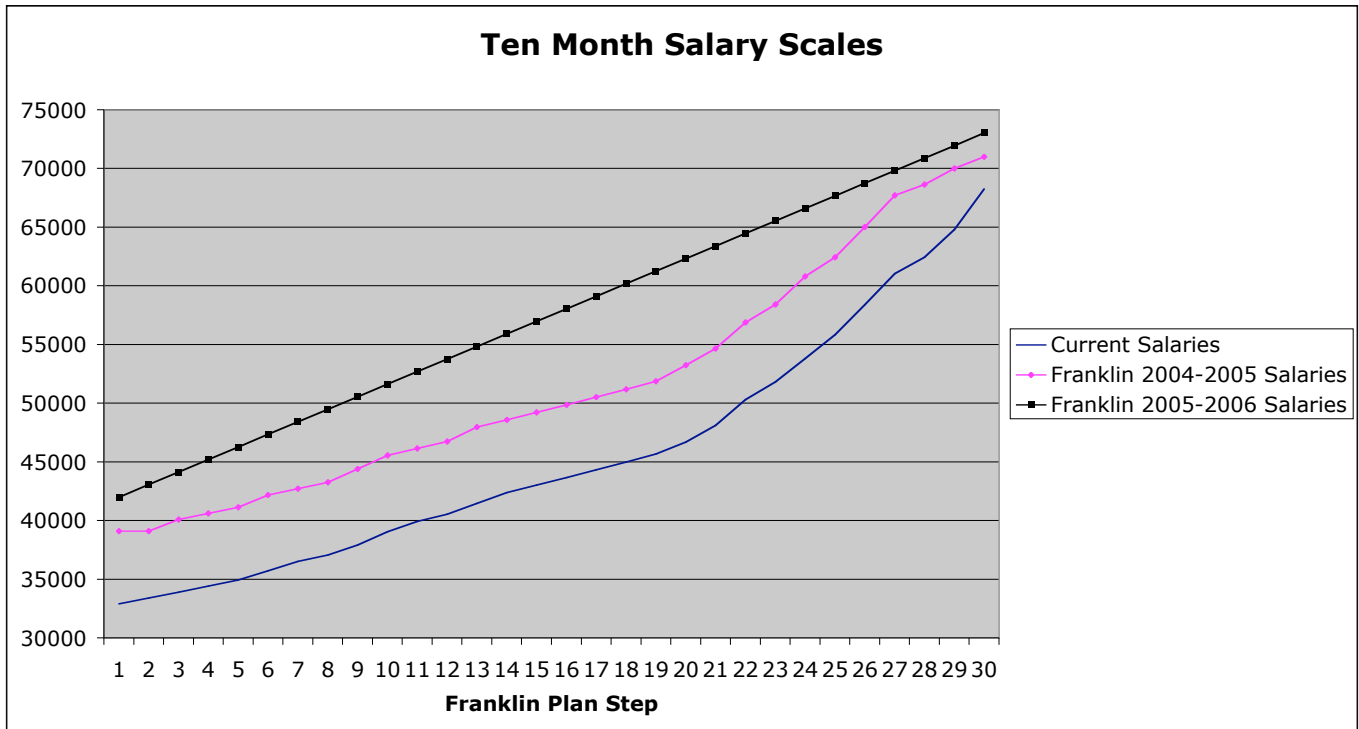
This phase of the plan is designed to correct the current salary scale, and addresses design principles 1 and 5. It establishes a financially responsible, competitive compensation model to attract and retain high quality and productive faculty. It also increases faculty real purchasing power, equity, and morale.

The correction to the current scale will be accomplished through a two-year transition that takes us from the current scale to a 30-step scale in 2005-2006 that is a linear progression from a Step One Master's Degree Ten Month Base Salary of \$42,000 to a Step Thirty Master's Degree Ten Month Base Salary of \$73,030. Placement into the proposed new Thirty-Step Scale is given in the table below. To see where you will be in the Thirty-Step Scale during the two-year transition period of 2004-2005 and 2005-2006, find your current 2003-2004 step in the table and match it with the corresponding New Plan Step. All salaries are Master's Degree Ten-Month Salaries. Bachelor's faculty subtract \$3000, Master's+30 faculty add \$3500, and Doctorate faculty add \$7000 to see your salaries. Step increases will begin in 2006-2007, after the two-year transition period.

PLACEMENT IN THE PROPOSED THIRTY-STEP PLAN: 10-MONTH MASTER'S DEGREE SALARIES

Current 03-04 Step	Current 03-04 Salary	New Plan 04-05 and 05-06 Step	04-05 Salary	05-06 Salary
2004-2005 New Hires		1	39114	42000
12	32914	2	39114	43070
13, 14	33408 or 33909	3	40109	44140
15	34417	4	40617	45210
16	34934	5	41134	46280
17, 18	35458 or 35989	6	42189	47350
19	36529	7	42729	48420
20	37077	8	43277	49490
21, 22	37633 or 38197	9	44397	50560
23, 24	38771 or 39352	10	45552	51630
25	39943	11	46143	52700
26	40542	12	46742	53770
27, 28	41150 or 41767	13	47967	54840
29	42394	14	48594	55910
30	43030	15	49230	56980
31	43675	16	49875	58050
32	44330	17	50530	59120
33	44995	18	51195	60190
34	45670	19	51870	61260
35, 36	46355 or 47050	20	53250	62330
37, 38	47756 or 48473	21	54673	63400
40, +01	49938 or 50687	22	56887	64470
+02, +03	51447 or 52219	23	58419	65540
+04,+05,+06	53002 or 53797 or 54604	24	60804	66610
+07, +08	55423 or 56254	25	62454	67680
+10, +11	57955 or 58824	26	65024	68750
+13, +14	60602 or 61511	27	67711	69820
+15	62434	28	68634	70890
+17, +18	64321 or 65285	29	70000	71960
+20,+21(except Doctorate)	67258 or 68268	30	71000	73030

The graph below illustrates the information in the table above.



THE NEXT PHASE: HOW TO GIVE RAISES

This next phase of the plan is designed to address design principles 1 and 5, but especially number 5. It is designed to give raises in a manner that maintains a financially responsible, competitive compensation model to attract and retain high quality and productive faculty, and maintains faculty real purchasing power, equity, and morale through the years as faculty members progress through their careers from new hire to retirement.

The next table shows the proposed 2005-2006 Master's Degree Ten Month scale projected into the future year by year for several years. Each year, each step in the scale is increased by a hypothetical 3%, moving the whole scale up. The progression from Step 1 salary to Step 30 salary is linear for any given year. In any given year, the difference in salary from one step to the next will be the same for all steps in the scale. Faculty will be advanced one step per year as the years go by. Faculty starting in a shaded box in any given year will move diagonally one box right and one box down to the shaded box that shows them where they will be on the next year's scale and what their salary will be. For example, someone at Step 6 with Master's Degree Ten-Month Base of \$47,350 in 2005-2006 would be at Step 9 with Master's Degree Ten-Month Base of \$55,248 in 2008-2009. Faculty in an un-shaded box will progress in the same manner through the un-shaded boxes as the years go by. Note that the 3% indicated is for illustration only.

We suggest that the actual increase be the greatest of 3% and the CPI% for the Southeastern Region of the United States plus 1%. The yearly step and percentage increases for the faculty as a whole will be subject to Presidential Recommendation and Board Approval year by year, as they have always been.

FUTURE MASTER'S DEGREE TEN-MONTH SALARIES

New Plan Step	2005-2006 Salary Scale	2006 - 2007 Salary Scale = 2005 - 2006 Scale Times 1.03	2007 - 2008 Salary Scale = 2006 - 2007 Scale Times 1.03	2008 - 2009 Salary Scale = 2007 - 2008 Scale Times 1.03
1	\$42,000	\$43,260	\$44,558	\$45,895
2	\$43,070	\$44,362	\$45,693	\$47,064
3	\$44,140	\$45,464	\$46,828	\$48,233
4	\$45,210	\$46,566	\$47,963	\$49,402
5	\$46,280	\$47,668	\$49,098	\$50,571
6	\$47,350	\$48,771	\$50,234	\$51,741
7	\$48,420	\$49,873	\$51,369	\$52,910
8	\$49,490	\$50,975	\$52,504	\$54,079
9	\$50,560	\$52,077	\$53,639	\$55,248
10	\$51,630	\$53,179	\$54,774	\$56,417
11	\$52,700	\$54,281	\$55,909	\$57,587
12	\$53,770	\$55,383	\$57,045	\$58,756
13	\$54,840	\$56,485	\$58,180	\$59,925
14	\$55,910	\$57,587	\$59,315	\$61,094
15	\$56,980	\$58,689	\$60,450	\$62,264
16	\$58,050	\$59,792	\$61,585	\$63,433
17	\$59,120	\$60,894	\$62,720	\$64,602
18	\$60,190	\$61,996	\$63,856	\$65,771
19	\$61,260	\$63,098	\$64,991	\$66,940
20	\$62,330	\$64,200	\$66,126	\$68,110
21	\$63,400	\$65,302	\$67,261	\$69,279
22	\$64,470	\$66,404	\$68,396	\$70,448
23	\$65,540	\$67,506	\$69,531	\$71,617
24	\$66,610	\$68,608	\$70,667	\$72,787
25	\$67,680	\$69,710	\$71,802	\$73,956
26	\$68,750	\$70,813	\$72,937	\$75,125
27	\$69,820	\$71,915	\$74,072	\$76,294
28	\$70,890	\$73,017	\$75,207	\$77,463
29	\$71,960	\$74,119	\$76,342	\$78,633
30	\$73,030	\$75,221	\$77,478	\$79,802

Now that we have addressed design principles 1 and 5 with Master's Degree Ten Month Base Salaries that do not depend in any way on professional development pay, incentive pay, or merit pay, we can address the issue of additional compensation linked to learning and professional development.

THE NEXT PHASE: ADDITIONAL COMPENSATION LINKED TO LEARNING AND PROFESSIONAL DEVELOPMENT

This phase of the plan addresses design principles 2, 3, 4, and 6. It is designed to reward faculty members with pay above and beyond their Master's Degree Ten Month Base pay for undertaking Professional Development endeavors that enhance faculty and student learning. This additional pay will be awarded according to the Learning Levels (LL) below. The credit hours associated with the learning levels can be obtained through both academic and non-academic endeavors, as I will explain shortly. As credit hours are earned, they are banked until the number earned is sufficient to advance to the next learning level.

Learning Level 1	Master's Degree Ten Month Base Salaries
Learning Level 2: +15 Credit Hours	Master's Degree Ten Month Base Salaries +\$1750
Learning Level 3: +30 Credit Hours	Master's Degree Ten Month Base Salaries +\$3500
Learning Level 4: +45 Credit Hours	Master's Degree Ten Month Base Salaries +\$4375
Learning Level 5: +60 Credit Hours	Master's Degree Ten Month Base Salaries +\$5250
Learning Level 6: +75 Credit Hours	Master's Degree Ten Month Base Salaries +\$6125
Learning Level 7: Doctorate	Master's Degree Ten Month Base Salaries +\$7000

A. I suggest that this Professional Development phase of the compensation structure not be implemented until 2006-2007, after the two-year transition, except for those faculty members with the Master's+30 or the Doctorate.

B. A wide range of options for earning credit hours will be available to faculty, both academic and non-academic options. **Note that all of the compensation suggested below is in addition to compensation received as ten month master's degree base, as indicated in the learning levels scale tables at the end of this document. The exception would be that faculty members with just a Bachelor's Degree would be paid at Master's Degree Ten Month Base level upon earning 30 credit hours.**

C. I suggest that a college-wide faculty committee be formed to add to/delete from and generally fine-tune this **Professional Development/Learning Component**. They will decide, with the help of all interested faculty members, what will be on the list of credit hour earning-endeavors. The committee will create the necessary simple one-page forms needed for record keeping concerning the credit hours described. Actually these forms already exist on the internet. This committee will have all work necessary for implementation of this **Professional Development/Learning Component** completed by the end of February 2005. Faculty members may then begin submitting forms for credit hours that they earn in the two-year period from March 1, 2004 to March 1, 2006. In order to receive Learning Level increases associated with these credit hours in 2006-2007, forms must be received by March 1, 2006, so that any Learning Level increases may

be included in the 2006-2007 budget. No credit hours will be awarded for work done prior to March 1, 2004, with the exception of graduate level courses in education or the teaching area passed with a C or better, and credit given for Master's+30 and the Doctorate Degree. This is a forward-looking plan. After this portion of the plan has been implemented, starting March 1, 2006, all forms for credit hours must be received within 90 days of completion of the credit hour earning endeavor. Learning Level increases for a given academic year will be based on credit hours banked as of March 1 of the prior academic year. Salary advancement based on these credit hours will occur as the various Learning Levels are attained through the credit hours earned. Every attempt will be made to insure that these endeavors are such that faculty members know that they will receive credit hours for a particular endeavor before they decide to proceed with the undertaking of the endeavor. Whether or not credit is received should not be subject to the opinions of others. A rotating faculty committee will be charged with reviewing and approving the credit hour forms based on agreed upon guidelines that will not be subject to personal interpretation. These forms will be used to keep the records straight between Human Resources and faculty as to the number of credit hours that have been banked. Copies will be kept in faculty personnel files and also retained by faculty as proof of hours banked.

1. Academic Options. Credit hours earned will be the usual academic credit hours associated with the courses.
 - a. Passing graduate level courses in either education or teaching area with a C or better.
 - b. Passing graduate level courses related to teaching area with a C or better.
 - c. Passing any courses taken toward completion of a certificate or degree program in education or teaching area with a C or better.
 - d. Passing any courses, graduate or undergraduate, with a C or better, that will enhance faculty learning in a manner that will improve faculty ability to promote student learning. Examples include foreign language courses and communication skills courses, among others.

2. Non-Academic Options. Credit hours earned will be based on clock hours involved. Fourteen clock hours will be worth one credit hour. My rationale for this is that in one of the academic options above, a faculty member would typically attend classes for three hours per week for fourteen weeks for a total of 42 clock hours in order to earn three credit hours. Therefore, one credit hour is worth fourteen clock hours. One full day spent at one of the following non-academic options will count as seven clock hours. A full day will be any day that the faculty member spends 3.5 or more hours at one of the non-academic options, and will count as seven clock hours. Attendance for fewer than 3.5 hours will count as 3.5 clock hours.
 - a. Professional conferences related to teaching area or education.
 - b. Seminars related to teaching area or education.
 - c. Workshops that are determined to enhance the faculty member's ability to carry out their core mission with the college, student learning.

- d. College or department committees designed to support the college's mission and goals.
 - e. College or department committees designed to promote student/faculty learning.
 - f. Any college sponsored professional development events.
3. More options. I suggest that the credit hours earned for these options be pre-determined.
- a. Having a paper published in a journal or magazine.
 - b. Developing course materials designed to improve student learning, and having these materials approved by your department or the college for department-wide and/or college-wide use where relevant.

D. How The Extra Pay Associated With The Learning Levels Will Be Applied

Each year, for those faculty members in the thirty-step scale, the yearly percentage increases discussed earlier in this document will be increases to Master's Degree Ten Month Base Salaries before the extra

pay associated with the learning levels is added in or the decrease for just a Bachelor's Degree is subtracted.

For example, take someone with a Doctorate at step 6 in 2005-2006. Looking at the Future Master's Degree Ten Month Salaries table, we see that their ten-month salary for 2005-2006 would be \$54,350, which is their Master's Ten-Month Base of \$47,350 plus \$7000 for the Doctorate. If they worked a summer supplement, their pay for the supplemental summer session would be 20% of \$54,350. Their ten-month salary for 2006-2007 would be \$56,873, which is their Master's Ten-Month Base of \$49,873 plus \$7000 for the Doctorate. If they worked a summer supplement, their pay for the supplemental summer session would be 20% of \$56,873.

Someone at step 6 in 2005-2006 with just a Bachelor's Degree would receive \$44,350 for their ten-month salary, which is their Master's Ten-Month Base of \$47,350 minus \$3000 for just the Bachelor's Degree. Their summer supplemental would be 20% of \$44,350. Their ten-month salary for 2006-2007 would be \$46,873, which is their Master's Ten-Month Base of \$49,873 reduced by \$3000. Their summer supplemental would be 20% of \$46,873.

Faculty members outside the Thirty-Step Scale (those in the Plus Scale) will receive percentage increases on any Learning Level pay as well as their Master's pay. This is to make up for the fact that they will not receive the step increases that those in the thirty-step scale receive.

As the compensation structure is reviewed periodically, increasing the extra pay for the professional development component will be considered.

The 2006-2007 and 2007-2008 Learning level scales are shown below. All salaries are 10-month salaries.

2006-2007 Ten-Month Salary Schedule

Step	LL1	LL2, +15	LL3, +30	LL4, +45	LL5, +60	LL6, +75	LL7
	Master's						Doctorate
1	\$43,260	\$45,010	\$46,760	\$47,635	\$48,510	\$49,385	\$50,260
2	\$44,362	\$46,112	\$47,862	\$48,737	\$49,612	\$50,487	\$51,362
3	\$45,464	\$47,214	\$48,964	\$49,839	\$50,714	\$51,589	\$52,464
4	\$46,566	\$48,316	\$50,066	\$50,941	\$51,816	\$52,691	\$53,566
5	\$47,668	\$49,418	\$51,168	\$52,043	\$52,918	\$53,793	\$54,668
6	\$48,771	\$50,521	\$52,271	\$53,146	\$54,021	\$54,896	\$55,771
7	\$49,873	\$51,623	\$53,373	\$54,248	\$55,123	\$55,998	\$56,873
8	\$50,975	\$52,725	\$54,475	\$55,350	\$56,225	\$57,100	\$57,975
9	\$52,077	\$53,827	\$55,577	\$56,452	\$57,327	\$58,202	\$59,077
10	\$53,179	\$54,929	\$56,679	\$57,554	\$58,429	\$59,304	\$60,179
11	\$54,281	\$56,031	\$57,781	\$58,656	\$59,531	\$60,406	\$61,281
12	\$55,383	\$57,133	\$58,883	\$59,758	\$60,633	\$61,508	\$62,383
13	\$56,485	\$58,235	\$59,985	\$60,860	\$61,735	\$62,610	\$63,485
14	\$57,587	\$59,337	\$61,087	\$61,962	\$62,837	\$63,712	\$64,587
15	\$58,689	\$60,439	\$62,189	\$63,064	\$63,939	\$64,814	\$65,689
16	\$59,792	\$61,542	\$63,292	\$64,167	\$65,042	\$65,917	\$66,792
17	\$60,894	\$62,644	\$64,394	\$65,269	\$66,144	\$67,019	\$67,894
18	\$61,996	\$63,746	\$65,496	\$66,371	\$67,246	\$68,121	\$68,996
19	\$63,098	\$64,848	\$66,598	\$67,473	\$68,348	\$69,223	\$70,098
20	\$64,200	\$65,950	\$67,700	\$68,575	\$69,450	\$70,325	\$71,200
21	\$65,302	\$67,052	\$68,802	\$69,677	\$70,552	\$71,427	\$72,302
22	\$66,404	\$68,154	\$69,904	\$70,779	\$71,654	\$72,529	\$73,404
23	\$67,506	\$69,256	\$71,006	\$71,881	\$72,756	\$73,631	\$74,506
24	\$68,608	\$70,358	\$72,108	\$72,983	\$73,858	\$74,733	\$75,608
25	\$69,710	\$71,460	\$73,210	\$74,085	\$74,960	\$75,835	\$76,710
26	\$70,813	\$72,563	\$74,313	\$75,188	\$76,063	\$76,938	\$77,813
27	\$71,915	\$73,665	\$75,415	\$76,290	\$77,165	\$78,040	\$78,915
28	\$73,017	\$74,767	\$76,517	\$77,392	\$78,267	\$79,142	\$80,017
29	\$74,119	\$75,869	\$77,619	\$78,494	\$79,369	\$80,244	\$81,119
30	\$75,221	\$76,971	\$78,721	\$79,596	\$80,471	\$81,346	\$82,221

2007-2008 Ten-Month Salary Schedule

Step	LL1	LL2, +15	LL3, +30	LL4, +45	LL5, +60	LL6, +75	LL7
	Master's						Doctorate
1	\$44,558	\$46,308	\$48,058	\$48,933	\$49,808	\$50,683	\$51,558
2	\$45,693	\$47,443	\$49,193	\$50,068	\$50,943	\$51,818	\$52,693
3	\$46,828	\$48,578	\$50,328	\$51,203	\$52,078	\$52,953	\$53,828
4	\$47,963	\$49,713	\$51,463	\$52,338	\$53,213	\$54,088	\$54,963
5	\$49,098	\$50,848	\$52,598	\$53,473	\$54,348	\$55,223	\$56,098
6	\$50,234	\$51,984	\$53,734	\$54,609	\$55,484	\$56,359	\$57,234
7	\$51,369	\$53,119	\$54,869	\$55,744	\$56,619	\$57,494	\$58,369
8	\$52,504	\$54,254	\$56,004	\$56,879	\$57,754	\$58,629	\$59,504
9	\$53,639	\$55,389	\$57,139	\$58,014	\$58,889	\$59,764	\$60,639
10	\$54,774	\$56,524	\$58,274	\$59,149	\$60,024	\$60,899	\$61,774
11	\$55,909	\$57,659	\$59,409	\$60,284	\$61,159	\$62,034	\$62,909
12	\$57,045	\$58,795	\$60,545	\$61,420	\$62,295	\$63,170	\$64,045
13	\$58,180	\$59,930	\$61,680	\$62,555	\$63,430	\$64,305	\$65,180
14	\$59,315	\$61,065	\$62,815	\$63,690	\$64,565	\$65,440	\$66,315
15	\$60,450	\$62,200	\$63,950	\$64,825	\$65,700	\$66,575	\$67,450
16	\$61,585	\$63,335	\$65,085	\$65,960	\$66,835	\$67,710	\$68,585
17	\$62,720	\$64,470	\$66,220	\$67,095	\$67,970	\$68,845	\$69,720
18	\$63,856	\$65,606	\$67,356	\$68,231	\$69,106	\$69,981	\$70,856
19	\$64,991	\$66,741	\$68,491	\$69,366	\$70,241	\$71,116	\$71,991
20	\$66,126	\$67,876	\$69,626	\$70,501	\$71,376	\$72,251	\$73,126
21	\$67,261	\$69,011	\$70,761	\$71,636	\$72,511	\$73,386	\$74,261
22	\$68,396	\$70,146	\$71,896	\$72,771	\$73,646	\$74,521	\$75,396
23	\$69,531	\$71,281	\$73,031	\$73,906	\$74,781	\$75,656	\$76,531
24	\$70,667	\$72,417	\$74,167	\$75,042	\$75,917	\$76,792	\$77,667
25	\$71,802	\$73,552	\$75,302	\$76,177	\$77,052	\$77,927	\$78,802
26	\$72,937	\$74,687	\$76,437	\$77,312	\$78,187	\$79,062	\$79,937
27	\$74,072	\$75,822	\$77,572	\$78,447	\$79,322	\$80,197	\$81,072
28	\$75,207	\$76,957	\$78,707	\$79,582	\$80,457	\$81,332	\$82,207
29	\$76,342	\$78,092	\$79,842	\$80,717	\$81,592	\$82,467	\$83,342
30	\$77,478	\$79,228	\$80,978	\$81,853	\$82,728	\$83,603	\$84,478

COST ANALYSIS OF TOTAL COST TO THE COLLEGE OF TEN-MONTH FACULTY SALARIES: FRANKLIN PLAN

2003-2004 CURRENT COST	15,546,994
2004-2005 FRANKLIN PLAN	17,671,442
INCREASE DUE TO FRANKLIN PLAN	2,124,448

2004-2005 FRANKLIN PLAN	17,671,442
2005-2006 FRANKLIN PLAN	19,652,342
INCREASE DUE TO FRANKLIN PLAN	1,980,900

I designed this plan without really thinking about the costs involved until the various versions of the “complete plan” started coming together. I designed the plan based on the Design Principles and the fact that I wanted to see a plan that was good for the faculty as a whole and tried to address the various faculty concerns involved. Therefore, I did not intend to do a cost analysis comparing this plan to any other proposed plans out there. But, I realize that some people may be interested in a comparison of the costs involved in each of the proposed plans, so here are the Ten-Month salaries for the McConnell Plan, taken from his plan document and adjusted from 12-month salaries to 10-month salaries.

COST ANALYSIS OF TOTAL COST TO THE COLLEGE OF TEN-MONTH FACULTY SALARIES: MCCONNELL PLAN

2003-2004 CURRENT COST	15,546,994
2004-2005 MCCONNELL PLAN	18,445,000
INCREASE DUE TO MCCONNELL PLAN	2,898,006

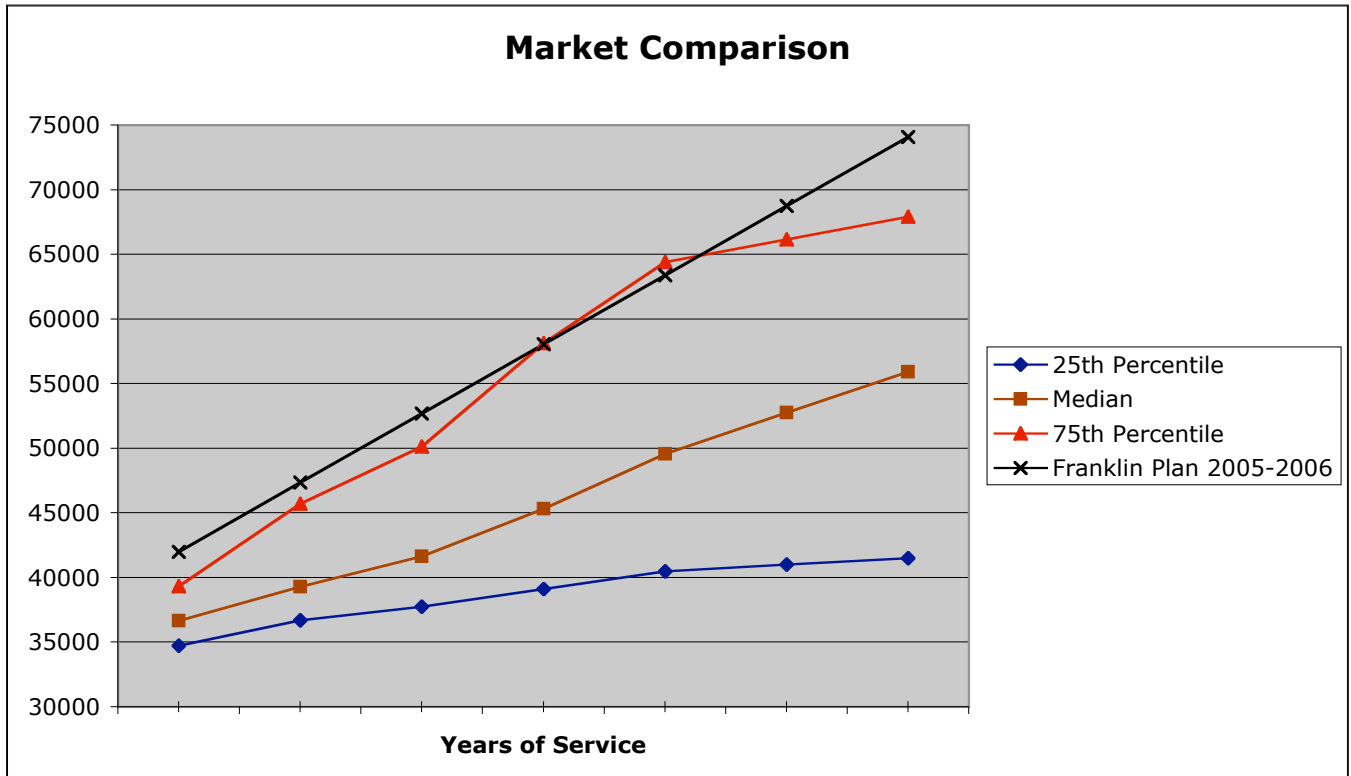
2004-2005 MCCONNELL PLAN	18,445,000
2005-2006 MCCONNELL PLAN	19,641,825
INCREASE DUE TO MCCONNELL PLAN	1,196,825

Total two-year increase to 10-month faculty salary allotment due to the Franklin Plan is \$4,105,348.

Total two-year increase to 10-month faculty salary allotment due to the McConnell Plan is \$4,094,831.

The graph below is a comparison of the Franklin proposed plan with adjusted market statistics from the McConnell market survey. The statistics from the survey were three years old, so I adjusted them up by 3% cost of living for each of the three years to get the statistics you see in the graph. The points on the curves are plotted at five-year

intervals starting at zero years. All salaries are Ten-Month Master's Degree Salaries.



This comparison shows that if the proposed Franklin Plan is implemented, then beginning in 2005-2006, after the two-year transition into the Thirty Step Scale, Valencia Community College Faculty members will be paid at the market 75th percentile, a premium level of compensation that is appropriate for a Vanguard Institution.