

# Faculty Compensation Philosophy Statement

## University of San Diego

### Introduction

The University of San Diego is a Roman Catholic institution committed to advancing academic excellence, expanding liberal and professional knowledge, creating a diverse and inclusive community, and preparing leaders who are dedicated to ethical conduct and compassionate service.

The University is committed to recruiting, rewarding, and retaining excellent faculty as necessary to fulfilling its mission. The University affirms the following guiding principles as foundational to providing just and competitive compensation for its faculty.

### Guiding Principles

1. **One System:** The University is committed to a unified faculty compensation system with a shared philosophy and policy to be implemented by all academic units<sup>1</sup> on the basis of these guiding principles.
2. **Competitive Salaries:** The University will establish policies and procedures to ensure that faculty salaries are competitive with salary benchmark institutions.
3. **Transparency:** The University will establish policies and procedures to ensure that the process by which faculty compensation is determined is transparent and clearly communicated to relevant parties. At the same time, the University will act to protect privacy and confidentiality of individual faculty members.
4. **Geographical Differential(s):** The University is aware that the cost of living in coastal metropolitan areas such as San Diego is higher than many parts of the country and this can impact faculty in their standard of living. The University is committed to fair and just compensation that takes into account these financial differentials.
5. **Promote and Reward Excellence in Teaching and Scholarship and a Commitment to Service:** The University values excellence in teaching and scholarship and recognizes both are the foundation of the University. The University is committed to rewarding excellence in scholarship and teaching and a demonstrated commitment to service at all ranks through merit-based compensation. The relative importance of these criteria may be established by each academic unit.
6. **Equity and Fairness:** The University is committed to equity and fairness in compensation. The University will develop policies and procedures to ensure equity and fairness and embody principles of nondiscrimination.
7. **Open communication:** The University values clarity and open communication with faculty concerning compensation policies, procedures, and processes.

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<sup>1</sup> For this document, “academic units” refers to tenure-granting units of the university: the schools (School of Business, Shiley-Marcos School of Engineering, Hahn School of Nursing and Health Science, Joan B. Kroc School of Peace Studies, School of Law, School of Leadership and Education Sciences), the College of Arts and Sciences, and the University Library. Tenure-granting units created after the adoption of this document are understood to be included as academic units.

8. Shared Governance: As faculty compensation directly affects the ability of faculty to carry out the mission of the University, the University is committed to the participation of faculty in the design and maintenance of compensation policy.

## **Policy Principles**

***The following principles will guide the development and implementation of a policy governing the faculty compensation system.***

1. Policy Development: the Faculty Compensation Policy will be developed by a joint committee with representation of administrators and faculty from all academic units (the “Faculty Compensation Committee”). Adoption of the policy, and future changes, require approval by the University Senate. Robust consultation with all academic units is expected.
2. Committee Membership: the Faculty Compensation Committee will include faculty representatives from each academic unit, nominated by the respective units and appointed by the Provost, as well as one representative from the University Senate that is appointed by the Senate.
3. Review, Oversight, and Co-ownership of the Process: The Faculty Compensation Committee will be constituted at least once every five years to review the Salary Frameworks<sup>2</sup>, the Salary Benchmark Institutions, the Faculty Compensation Policy, the calculation of geographic differentials, and the progress of the transition from past practices into the new Salary Frameworks. The committee may recommend changes to any of the above, which require adoption by the University Senate.
4. Salary Benchmark Institution selection philosophy: to the extent possible, a common set of salary benchmark institutions is selected according to criteria established by the Faculty Compensation Task Force with input from the faculty, academic unit deans and university administration.
5. Timing of Salary Framework Adjustments: Faculty Salary Frameworks for each academic unit should be aligned to the Salary Benchmark Institutions at least every five years and adjusted annually based on average market performance.
6. Salary Market Benchmarks: In recognition of the need to pay a just and livable wage, and in recognition of the fact that salaries in College disciplines are compensated at levels below those of other units among the Salary Benchmark Institutions as a whole, the Salary Framework for the College of Arts & Sciences, the Joan B. Kroc School of Peace Studies, and the University Library will be based on the 60th percentile of the geographically-adjusted salaries of the Salary Benchmark Institutions, while those of other units will be based on the 50th percentile of the Salary Benchmark Institutions.
7. Recognizing Promotion: Promotion in rank is to be accompanied with a significant increase in salary above and beyond regular annual increases based on consistent performance.
8. New Faculty: Faculty who are hired after the Faculty Compensation Policy is adopted will receive a salary based on the policy.

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<sup>2</sup> The Salary Framework for each academic unit defines salary ranges for faculty according to rank. Units may choose to employ separate frameworks for different disciplines.

9. Transition for Current Faculty:
- a) Placement within salary ranges for current faculty is determined by deans based on rank, years at USD, and prior and ongoing performance. The time required to bring faculty salaries into alignment with the Salary Framework will depend upon available resources and the amount of difference between current salaries and targets.<sup>3</sup>
  - b) The Faculty Compensation Policy must put forth an equitable approach to bringing current faculty into alignment with the Salary Framework, which may prioritize those whose salaries fall below the minimum of the assigned range.
  - c) Faculty promoted to Associate or Full Professor during the transition period are assigned salaries that are aligned with the Salary Framework.

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<sup>3</sup> Target salaries are the salaries determined by placement within the salary range. It is understood that for many current faculty, current salaries will fall below targets. Both target salaries and actual salaries are expected to increase annually based on market performance, and it may take multiple years for actual salaries to catch up to the targets. In any given year, actual pay may deviate from the target salaries based on the financial capacity of the University.