

**Draft by Faculty Affairs Committee, March 11, 2005**  
**SCHOOL OF LIBERAL ARTS**  
**Salary Policy**

The School of Liberal Arts endorses merit pay as the basis for faculty salary adjustments, providing that the resulting salary structure is equitable and market-oriented. The salary adjustment categories identified below should lessen some of the problems faculty and administrators have identified, i.e., inequities within and among departments, compression between ranks, and unresponsiveness to market demands. The dean must allocate funds for all categories whenever meritorious cases for salary adjustment arise. The dean is responsible for deciding the appropriate distribution of salary adjustment sums allocated to individuals and departments. Likewise, although required to consult with faculty, the dean is ultimately responsible for final decisions on all salary adjustments. Promotion, market, and equity adjustments should be made before annual merit adjustments are added.

1. Annual Merit Adjustment. Merit will constitute the primary basis for annual salary adjustments. Merit pay must be tied to annual reviews, which are based upon the information provided in faculty annual reports, including the faculty member's annual goals. Faculty goals should reflect the goals and requirements of the department and school, as well as the faculty member's particular interests. Tenure-line faculty will be assessed based upon their teaching, research, and service. Lecturers will be assessed based upon on their teaching and service. In reviewing faculty annual reports, each department should adopt standards for ranking faculty performance as significantly exceeding department expectations, exceeding department expectations, meeting department expectations, performing below department expectations, or offering unsatisfactory performance. As noted in the SLA Annual Summary Review Form, each department shall determine the relative weight that teaching and service for lecturers--and teaching, research and service for tenure-line faculty--count toward the overall evaluation of the faculty member. Each year, the dean will provide departments with a pool of money for merit adjustments. The department chair is responsible for distributing those funds according to department policy.
2. Promotion Adjustment. Promotion represents special merit and should carry a substantial extra reward separate from normal considerations of merit, market, and equity, although care must be taken to ensure that any combination of the adjustments does not skew the departmental or school salary structure. Promotions should carry the following stipends: Professor, \$6,000; Associate Professor, \$4,500; Senior Lecturer, \$1,500.
3. Market Adjustment. The School of Liberal Arts should pay competitive market salaries to recruit and retain high quality faculty. Market adjustments should be made when departments demonstrate empirically that an individual faculty member can command a higher salary elsewhere in academe. Such empirical evidence might include competing offers, authoritative salary data for the discipline, or pay awarded to new hires in the discipline at IUPUI. Market adjustments should go only to faculty whose last two annual reviews indicate that they have at least met department expectations as measured by departmental standards. Faculty interested in receiving a market adjustment should present their case to their department chair, who will forward the faculty member's case to the dean, along with the faculty member's cv, last two annual reviews, and a letter either recommending or not recommending the adjustment. Once faculty have requested a market adjustment to their salary, they must wait twelve months before requesting another market adjustment.

4. Equity Adjustment. In any merit system for which no predictable adjustment pool exists, some faculty may fall behind in salary compared to colleagues with similar career accomplishments. The SLA believes such faculty should be offered equitable compensation with such peers.

By September 30 of each year the dean's office will notify any faculty (and their chairs) whose performance has been judged by their department to have at least exceeded department expectations and whose salary has fallen to below 90% of the average salary of faculty in their department in their rank. Faculty with joint appointments should be compared with colleagues in the department to which they offer their annual report.

Faculty who wish to pursue an equity adjustment should petition their chair, who is responsible for reviewing the faculty member's claims for equity adjustment based upon the department's standards for ranking faculty performance. A faculty petition for equity adjustment should include a statement offering reasons for the raise, along with copies of the petitioner's cv and last two annual reviews.

If the chair agrees with the faculty member that an equity adjustment is called for, the case is sent with the chair's recommendation to the dean. If the dean and the department chair agree on their findings, they will negotiate an equity adjustment for the faculty member in question. The salary pool allocated by the dean's office will be responsible for 50% of the monies necessary for the raise. The department will be responsible for the other 50%.

If the chair disagrees with the faculty member that an equity adjustment is appropriate, the case is sent with the chair's recommendation not to make the adjustment to the Faculty Enhancement Committee. The chair should also send a copy of the petition and recommendation to the dean's office. The Faculty Enhancement Committee will review the case and forward their recommendation to the dean, with copies forwarded to the petitioning faculty member and the department chair. The dean's decision will be based on the recommendations of both the chair and the Faculty Enhancement Committee. If the dean approves an equity adjustment, the salary pool allocated by the dean's office will be responsible for 50% of the monies necessary for the raise. The department will be responsible for the other 50%.

The dean makes the final decision regarding equity adjustments. If a petition for an equity adjustment is denied, the faculty member must wait twelve months before filing a new petition.

Once an equity adjustment has been made, chairs are encouraged to keep the faculty member's salary in line with the department averages as long as the faculty member's performance exceeds department expectations.