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California Postsecondary Education Commission

Faculty Salaries at California's Public Universities, 2005-06

This report presents information about salary trends and projections for California's public university faculty. It also compares these public university salary levels with comparable institutions nationwide.

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The Commission advises the Governor and Legislature on higher education policy and fiscal issues. Its primary focus is to ensure that the state's educational resources are used effectively to provide Californians with postsecondary education opportunities. More information about the Commission is available at www.cpec.ca.gov.

Commission Report 05-04

Background

Annually, in accordance with Senate Concurrent Resolution No. 51 of the 1965 General Legislative Session, the California State University and the University of California submit to the California Postsecondary Education Commission information on faculty salaries for their respective institutions and for a set of comparison colleges and universities located primarily outside of California.

This report presents estimates of the percentage changes in faculty salaries in California public universities that would enable them to attain parity with their respective comparison groups in the forthcoming fiscal year. These final parity figures for both systems are based on data from six of the eight University of California comparison institutions, and the 20 California State University comparison institutions. A preliminary estimate of faculty salary parity was reported to the Department of Finance and the Office of the Legislative Analyst last December.

The report also contains a brief description of the methodology employed to calculate the percentages needed to achieve parity as well as faculty salary trends over the past 24 years.

A summary of the methodology

The faculty salary methodology includes two separate comparison institution groups – one each for the California State University and the University of California. The procedures by which the systems collect data, and the techniques used to analyze those data, have been designed and refined periodically by the Commission in consultation with the Commission's Faculty Salary Advisory Committee. The Committee includes representatives from the

California State University, the University of California, the Department of Finance, and the Office of the Legislative Analyst, with the California Faculty Association included on the Committee as an observer. As a result, the faculty salary methodology is reflective of the views of all interested parties, rather than the vision of any single individual or agency.

This year's methodology is unchanged from the last several years, and consists of two primary elements: (1) collecting salary data from comparison institutions; and (2) a computational process that involves the weighting of several data elements by various factors, such as the number of faculty at each rank.

Display 1 shows the comparison institutions for the two university systems. The members of the Commission's Faculty Salary Advisory Committee formulated each list through extensive discussions and compromises. In the more than 39 years that the survey has been conducted, each list has changed several times, most recently in 1993-94 when three institutions in the State University comparison group were replaced. The University of California list is unchanged since 1988.

The computational process includes a determination of current average salaries, by rank, in both the California systems and the comparison institutions, with each rank's average projected forward one year based on the previous five-year growth rate. The projected 2005-06 average rank-by-rank salaries for the comparison institutions are then compared to the current-year State University and University averages. These averages are then combined into an "All Ranks Average" for each comparison group and each California system and compared for the current and budget years. Comparing the projected average for the comparison group next year with the current-year average for the California system produces the budget-year "parity figure."

DISPLAY 1 Faculty Salary Comparison Institutions for the California State University and the University of California

The California State University

Northeast Region

Bucknell University*
Rutgers, the State University
of New Jersey, Newark
State University of New York,
Albany
Tufts University*
University of Connecticut

Southern Region

Georgia State University
George Mason University
North Carolina State University
University of Maryland,
Baltimore County

North Central Region

Cleveland State University
Illinois State University
Loyola University, Chicago*
Wayne State University
University of Wisconsin,
Milwaukee

Western Region

Arizona State University
Reed College*
University of Colorado, Denver
University of Nevada, Reno
University of Southern California*
University of Texas, Arlington

The University of California

Harvard University*
Massachusetts Institute of Technology*
Stanford University*
State University of New York, Buffalo
University of Illinois, Urbana
University of Michigan, Ann Arbor
University of Virginia, Charlottesville
Yale University*

* Independent Institution.

Source: California Postsecondary Education Commission.

DISPLAY 2 Comparison of Faculty Salary Parity Figures with Actual Percentage Increases Provided, 1981-82 to 2005-06

Year	The California State University		University of California	
	Parity Figure	Salary Increase	Parity Figure	Salary Increase
1981-82	0.5%	6.0%	5.8%	6.0%
1982-83	2.3	0.0	9.8	0.0
1983-84	9.2	6.0	18.5	7.0
1984-85	7.6	10.0	10.6	9.0
1985-86	N/A	10.5	6.5	9.5
1986-87	6.9	6.8	1.4	5.0
1987-88	6.9	6.9	2.0	5.6
1988-89	4.7	4.7	3.0	3.0
1989-90	4.8	4.8	4.7	4.7
1990-91	4.9	4.9	4.8	4.8
1991-92	4.1	0.0	3.5	0.0
1992-93	6.0	0.0	6.7	0.0
1993-94	8.5	3.0	6.5	0.0
1994-95	6.8	0.0	12.6	3.0
1995-96	12.7	2.5	10.4	3.0
1996-97	9.6	4.0	10.3	5.0
1997-98	10.8	4.0	6.7	5.0
1998-99	11.2	5.7	4.6	4.5
1999-00	11.1	6.0	2.9	2.9
2000-01	8.9	6.0	3.0	3.0
2001-02	7.9	3.2	3.9	0.5
2002-03	10.6	3.0	6.9	0.5
2003-04	11.6	0.8	9.2	0.0
2004-05	13.1	0.0	9.3	0.0
2005-06	16.8%		13.9%	

Source: California Postsecondary Education Commission.

University faculty have received cost-of-living salary increases for the last two years. The University of California’s parity gap during the current year was 9.3%, while the projected lag for 2005-06 has grown to 13.9%. The lag for the State University increased from 13.1% in the current year to a projected 16.8% for the 2005-06 fiscal year.

It is important to understand the meaning of these “parity” numbers. For example, when the Commission estimates a difference of 16.8% for State University faculty, it does not mean that its faculty was actually paid that percent less than their colleagues at comparable institutions. The parity number is a projection of a possible future (2005-06) salary increase at the comparison institutions based on observed trends over a five-year period, with the assumption that State University salaries would not increase at all in the 2005-06 fiscal year. Thus, the projected difference for 2005-06 can be quite different from the actual difference because the actual amount of salary increase that comparison institutions pay can be greater or less than projected. Further, any budget year salary increase provided to the University or State University could alter or eliminate the disparity between California institutions and their comparators.

Faculty salary trends

Display 2 shows the Commission’s parity computations for each of the two public university systems, plus the actual salary increases granted, since the 1981-82 fiscal year.

During the first half of the 1980s, the parity figure between CSU and its comparison group was consistently smaller than the comparable figure for UC and its group. However, by the late 1980s, this situation had reversed. During California’s severe economic recession between 1991-92 and 1994-95, few faculty salary increases were funded in the State budget. This worsened the compensation deficiency between faculty at California’s public institutions and their comparison groups to create the largest compensation disparity since the inflationary era of the 1970s and early 1980s. This year, the salary deficiencies are again approaching record levels with both senior systems facing double-digit differences in achieving parity with their comparison institutions.

When California moved from recession to economic boom in the mid 1990s, faculty received more competitive percentage salary increases. As a result of this trend, the necessary percentage increase for parity diminished significantly at both university systems. However recent and anticipated budget constraints have reversed the trend once again. Neither University nor State

The parity figures for 2005-06

California State University

Display 3 shows the parity calculations for the California State University for the current (2004-05) and budget (2005-06) years.

The “parity figure” for the State University system for 2005-06 is 16.8% — the percentage by which average salaries in the State University would have to increase to equal the average salaries projected to be paid by the comparison institutions in 2005-06. It indicates that the all ranks average salary in the current year is about 13.1% below that currently paid by the comparison group. These calculations are based upon actual information received from the 20 State University’s comparison institutions.

Displays 4 and 5 show rank-by-rank and institution-by-institution salaries for both the State University and the comparison group for 1999-00 and 2004-05. These data are used to determine the five-year compounded average growth rate that permits current-year salaries to be projected into the budget year. The shaded lines in both displays indicate the State University’s position for each rank and for all ranks relative to the entire list. It shows that in 2004-05, the average of all State University faculty dropped from 10th to 16th out of 21 in its ranking with the comparison institution counterparts. Without future increases, the State University is likely to drop even further in ranking in the next few years.

Faculty at the professor and assistant professor levels rank below the total faculty average, at 20th and 19th places. Associate professors and instructors placed at 14th and 9th places respectively.

University of California

This report contains current-year data from six of the eight University of California comparison institutions. Data were estimated for the other two institutions by taking 95% of the five-year average rate of salary increases provided by those two institutions as prescribed by the University’s methodology.

Display 6 shows the parity calculations for UC for both the current and budget years. For the University system, the methodology indicates a “parity figure” of 13.9%, which is the percentage amount by which UC faculty will lag their counterparts if no salary increase is granted for 2005-06. The display also shows that University average salaries lag the comparison group by 9.3% in the 2004-05 fiscal year.

Display 7 presents 1999-00 and 2004-05 comparison institution data, by rank, and indicates that there is no change from last year in the public/independent relationship relative to faculty salaries – that is, each of the private comparison institutions pays more on average while each public comparator pays less. However, UC’s average salary has dropped in relation to the lowest private comparison institution and come much closer to the highest public comparison institution. Without future increases, the University is likely to drop down in ranking in the next few years, losing its historic median ranking between private and public institutions.

The University’s rank-by-rank position relative to its comparison institutions is still more consistent across all faculty groups than the State University’s rankings. For example, the current year University all-ranks average is at the median (fifth), with full professors ranked sixth, associate professors ranked eighth, and assistant professors ranked seventh.

DISPLAY 3 California State University Comparison Group Average Salaries, 1999-2000 and 2004-05; Compound Rates of Increase, Projected Comparison Group Average Salaries, 2004-05; and Projected CSU Faculty Salary Percentage Increase Required to Attain Parity with the Comparison Group in 2005-06

Academic Rank	Comparison Group Average Salaries	Comparison Group Average Salaries		Compound Rate of Increase	Comparison Group Projected Salaries
	1999-00	2004-05 ¹			2005-06
Professor	\$85,905	\$101,324		3.4%	\$104,725
Associate Professor	\$62,077	\$71,863		3.0%	\$73,998
Assistant Professor	\$50,904	\$60,264		3.4%	\$62,333
Instructor	\$37,409	\$42,788		2.7%	\$43,953
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Academic Rank	California State University Actual Average Salaries	Comparison Group Average Salaries		Percentage Increase Required in California State University Average Salaries to Equal the Comparison Institution Average	
	2004-05	Actual 2004-05	Projected 2005-06	Actual 2004-05	Projected 2005-06
Professor	\$83,451	\$101,324	\$104,725	21.4%	25.5%
Associate Professor	\$67,093	\$71,863	\$73,998	7.1%	10.3%
Assistant Professor	\$54,949	\$60,264	\$62,333	9.7%	13.4%
Instructor	\$42,642	\$42,788	\$43,953	0.3%	3.1%
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Weighted by State University Staffing	\$69,628	\$80,223	\$82,863	15.2%	19.0%
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Weighted by Comparison Institution Staffing	\$68,426	\$77,831	\$80,355	13.7%	17.4%
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All Ranks Average and Net Percentage Amount ²	\$69,327	\$78,429	\$80,982	13.1%	16.8%
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Institutional Current-Year Staffing Pattern (Headcount Faculty)	Professor	Associate Professor	Assistant Professor	Instructor	Total
	Percent	Percent	Percent	Percent	Percent
California State University	4,922	2,247	3,486	414	11,069
Percent	44.5%	20.3%	31.5%	3.7%	100%
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Comparison Institutions	4,974	4,348	3,726	726	13,774
Percent	36.1%	31.6%	27.1%	5.3%	100%

1. Weighted 58% high-cost institutions, 42% low-cost institutions.
 2. "All-Ranks Average" salaries are derived by weighting the State University and Comparison Institutions by 75 % of their own staffing pattern and 25% of the comparison institution's staffing pattern.

Source: California Post Secondary Education Commission Staff Analysis

California Postsecondary Education Commission

DISPLAY 4 California State University Comparison Institution Salary Data, by Rank, 1999-00

Institution	Professors Average			Associate Professors Average			Assistant Professors Average			Instructors Average			Total Faculty Weighted Ave.		
	No.	Salary (Rank)		No.	Salary (Rank)		No.	Salary (Rank)		No.	Salary (Rank)		Total	Salary (Rank)	
Institution J ¹	137	\$106,128 (1)		118	\$78,084 (1)		95	\$60,886 (1)		21	\$42,799 (5)		371	\$82,039 (1)	
Institution Q ¹	502	97,531 (2)		337	68,569 (3)		226	60,141 (2)		48	48,309 (1)		1,113	79,047 (2)	
Institution B ¹	473	\$93,646 (5)		334	\$68,947 (2)		264	\$54,001 (3)		13	\$47,607 (2)		1,084	\$75,828 (3)	
Institution P ¹	124	88,608 (6)		120	65,061 (5)		64	48,751 (13)		0	0		308	71,152 (4)	
Institution K	462	84,742 (7)		345	62,155 (8)		225	52,345 (4)		19	33,599 (13)		1,051	69,467 (5)	
Institution R ¹	236	95,038 (4)		251	65,653 (4)		168	50,443 (7)		79	42,537 (6)		734	69,132 (6)	
Institution N	243	82,930 (10)		189	59,575 (13)		81	49,173 (12)		0			513	68,995 (7)	
Institution M ¹	165	84,210 (8)		134	60,738 (10)		102	49,202 (10)		4	34,566 (11)		405	67,137 (8)	
Institution A	604	81,761 (11)		447	59,903 (12)		285	50,594 (6)		45	32,341 (15)		1,381	66,644 (9)	
CSU	6,324	\$75,950 (15)		1,897	\$60,717 (11)		2,305	\$49,181 (11)		401	\$38,403 (7)		10,927	\$66,281 (10)	
Institution S ¹	270	83,036 (9)		248	62,711 (6)		220	49,465 (9)		24	45,558 (3)		762	65,548 (11)	
Institution F	195	95,135 (3)		275	62,605 (7)		287	52,096 (5)		102	30,378 (17)		859	62,652 (12)	
Institution G ¹	144	79,994 (14)		235	58,084 (14)		115	48,598 (14)		0	0		494	62,262 (13)	
Institution T	267	73,458 (18)		280	57,702 (15)		151	49,711 (8)		4	35,399 (9)		702	61,849 (14)	
Institution C	78	80,739 (12)		102	61,020 (9)		96	47,132 (18)		4	43,078 (4)		280	61,495 (15)	
Institution L	50	74,776 (16)		28	54,944 (18)		33	45,832 (19)		0	0		111	61,168 (16)	
Institution I ¹	116	80,506 (13)		127	57,265 (16)		103	48,316 (15)		21	36,266 (8)		367	60,898 (17)	
Institution O	219	73,448 (19)		178	53,063 (20)		121	47,171 (17)		4	34,205 (12)		522	60,105 (18)	
Institution D	163	69,486 (20)		191	54,094 (19)		106	43,214 (21)		6	33,148 (14)		466	56,733 (19)	
Institution E ¹	115	74,384 (17)		121	55,206 (17)		112	47,774 (16)		69	34,641 (10)		417	55,096 (20)	
Institution H	265	66,492 (21)		198	51,867 (21)		264	43,424 (20)		13	31,762 (16)		740	53,739 (21)	
Totals	4,828	\$84,684		4,258	\$61,435		3,118	\$50,504		476	\$37,469		12,680	\$66,700	
High cost 10	2,282	\$90,682		2,025	\$64,657		1,469	\$52,446		279	\$41,507		6,055	\$70,436	
Low cost 10	2,546	79,308		2,233	58,514		1,649	48,773		197	31,750		6,625	63,285	
Total	4,828	\$85,905		4,258	\$62,077		3,118	\$50,904		476	\$37,409		12,680	\$67,433	

1. Universities located in higher cost areas.
Source: The California State University, Office of the Chancellor

California Postsecondary Education Commission

DISPLAY 5 California State University Comparison Institution Salary Data, by Rank, 2004-05

Institution	Professors Average			Associate Professors Average			Assistant Professors Average			Instructors Average			Total Faculty Weighted Ave.		
	No.	Salary (Rank)		No.	Salary (Rank)		No.	Salary (Rank)		No.	Salary (Rank)		Total	Salary (Rank)	
Institution Q ¹	574	\$121,582 (1)		351	\$84,536 (1)		262	\$73,731 (1)		44	\$51,381 (3)		1,231	\$98,325 (1)	
Institution P ¹	135	108,315 (4)		120	80,050 (3)		54	63,691 (3)		0	0		309	89,540 (2)	
Institution J ¹	129	113,732 (2)		97	81,135 (2)		79	66,898 (2)		40	41,210 (10)		345	85,434 (3)	
Institution B ¹	410	108,510 (3)		365	79,143 (4)		314	63,409 (4)		38	54,686 (1)		1,127	84,618 (4)	
Institution A	609	101,768 (8)		405	68,576 (11)		312	61,440 (6)		75	38,020 (15)		1,401	79,779 (5)	
Institution K	656	94,756 (13)		425	70,301 (10)		318	61,902 (5)		9	45,517 (5)		1,408	79,639 (6)	
Institution M ¹	178	102,804 (6)		170	75,604 (5)		145	58,265 (11)		14	43,464 (8)		507	79,307 (7)	
Institution N	215	98,452 (9)		178	70,752 (9)		157	58,652 (9)		0	0		550	78,126 (8)	
Institution S ¹	288	96,930 (12)		246	72,738 (6)		223	59,834 (8)		37	54,385 (2)		794	77,034 (9)	
Institution R ¹	273	102,629 (7)		291	71,070 (8)		288	56,509 (17)		82	44,514 (6)		934	73,473 (10)	
Institution L	55	87,532 (16)		30	65,263 (18)		37	56,945 (14)		0	0		122	72,780 (11)	
Institution I ¹	126	97,782 (11)		141	67,768 (12)		124	57,397 (13)		20	43,562 (7)		411	72,662 (12)	
Institution C	73	98,076 (10)		106	71,705 (7)		121	57,835 (12)		0	0		300	72,528 (13)	
Institution G ¹	157	91,304 (14)		191	67,556 (13)		46	56,401 (18)		72	47,584 (4)		466	71,370 (14)	
Institution O	179	85,963 (17)		161	65,381 (17)		164	59,882 (7)		0	0		504	70,902 (15)	
CSU	4,922	\$83,451 (20)		2,247	\$67,093 (14)		3,486	\$54,949 (19)		414	\$42,642 (9)		11,069	\$69,628 (16)	
Institution T	242	84,442 (19)		277	64,868 (19)		263	56,537 (16)		8	40,392 (12)		790	67,843 (17)	
Institution F	182	106,876 (5)		299	65,959 (16)		308	56,763 (15)		109	38,469 (14)		898	67,761 (18)	
Institution D	155	85,355 (18)		183	63,474 (20)		145	50,093 (21)		44	41,079 (11)		527	64,358 (19)	
Institution E ¹	104	89,713 (15)		115	66,763 (15)		89	58,337 (10)		134	39,571 (13)		442	62,223 (20)	
Institution H	234	75,319 (21)		197	58,090 (21)		277	52,749 (20)		0	0		708	61,695 (21)	
Totals	4,974	\$179,444		4,348	\$103,245		3,726	\$108,392		726	\$67,626		13,774	\$130,277	
High cost 10	2,374	\$106,904		2,087	\$75,515		1,624	\$62,144		481	\$45,443		6,566	\$81,354	
Low cost 10	2,600	93,618		2,261	66,820		2,102	57,667		245	39,122		7,208	72,875	
Total	4,974	\$101,324		4,348	\$71,863		3,726	\$60,264		726	\$42,788		13,774	\$77,793	

1. Universities located in higher cost areas.

Source: The California State University, Office of the Chancellor

DISPLAY 6 University of California Comparison Group Average Salaries, 1999-00 and 2004-05; Compound Rates of Increase, Projected Comparison Group Average Salaries, 2005-06; and Projected Percentage UC Faculty Salary Increase Required to Attain Parity with the Comparison Group in 2005-06

<u>Academic Rank</u>	<u>Comparison Group Average Salaries</u>		<u>Compound Rate of Increase</u>	<u>Comparison Group Projected Salaries 2005-06</u>	
	<u>1999-00¹</u>	<u>2004-05¹</u>			
Professor	\$105,196	\$129,083	4.2%	\$134,476	
Associate Professor	\$69,786	\$85,887	4.2%	\$89,528	
Assistant Professor	\$58,507	\$72,554	4.4%	\$75,745	
Percent Increase Required in University Ave. Salaries to Equal the Comparison Institution Average					
<u>Academic Rank</u>	<u>University of Calif. Average Salaries, 2004-05</u>	<u>Comparison Group Average Salaries</u>		<u>Institution Average</u>	
		<u>Actual 2004-05</u>	<u>Projected 2005-06</u>	<u>Actual 2004-05</u>	<u>Projected 2005-06</u>
Professor	\$115,925	\$129,083	\$134,476	11.4%	16.0%
Associate Professor	\$75,141	\$85,887	\$89,528	14.3%	19.1%
Assistant Professor	\$66,482	\$72,554	\$75,745	9.1%	13.9%
Weighted by University of California Staffing	\$97,889	\$109,139	\$113,741	11.5%	16.2%
Weighted by Comparison Institution Staffing	\$94,107	\$104,898	\$109,334	11.5%	16.2%
All Ranks Average/Net Percentage Amount²	\$96,944	\$105,958	\$110,435	9.3%	13.9%
Institutional Budget-Year Staffing Pattern, (Full-Time-Equivalent Faculty)					
		Professor	Associate Professor	Assistant Professor	Total
University of California		4,227.0	1,385.5	1,423.9	7,036.3
<i>Percent</i>		60.1%	19.7%	20.2%	100.0%
Comparison Institutions		4,348.0	1,850.5	2,163.5	8,362.0
<i>Percent</i>		52.0%	22.1%	25.9%	100.0%

1. Weighted 50 percent public comparison institutions, 50 percent independent comparison institutions. The University of California Office of the President reports that it has final survey results from six of its eight comparison institutions and has estimated final results for the other two institutions.
2. All-Ranks Average derived by weighting University and Comparison Institutions by 75 percent of their own staffing pattern and 25 percent of the other's staffing pattern.

Source: CPEC staff analysis

DISPLAY 7 University of California Comparison Institution Average Salaries and Ranking, 1999-00 and 2004-05

1999-00	Type ¹	Professor			Associate Professor			Assistant Professor			Total Faculty		
		Number	Salary	Rank	Number	Salary	Rank	Number	Salary	Rank	Number	Salary	Rank
Institution H	I	638	\$124,260	(1)	113	\$70,524	(3)	218	\$65,691	(2)	969	\$104,817	(1)
Institution A	I	512	115,966	(2)	136	78,833	(1)	200	64,524	(3)	848	97,878	(2)
Institution F	I	548	112,349	(3)	175	75,019	(2)	166	66,226	(1)	889	96,388	(3)
Institution D	I	386	111,897	(4)	81	66,810	(7)	180	54,830	(6)	647	90,376	(4)
Univ. of Calif.	P	3652	103,099	(5)	1228	68,758	(5)	938	59,991	(4)	5,818	88,901	(5)
Institution E	P	693	97,100	(6)	364	70,337	(4)	415	55,745	(5)	1,472	78,823	(6)
Institution B	P	435	96,930	(7)	257.2	67,494	(6)	217.3	54,221	(7)	910	78,402	(7)
Institution G	P	800	89,780	(9)	468.5	62,996	(8)	336.4	53,367	(8)	1,605	74,329	(8)
Institution C	P	318	90,964	(8)	218	62,547	(9)	207	51,703	(9)	743	71,688	(9)
Total³		4,330.0	\$105,196		1,812.7	\$69,786		1,939.7	\$58,507		8,082.4	\$87,068	

2004-05	Type ¹	Professor			Associate Professor			Assistant Professor			Total Faculty		
		No.	Salary	Rank	No.	Salary	Rank	No.	Salary	Rank	No.	Salary	Rank
Institution H	I	637	\$157,366	(1)	135	\$91,696	(3)	216	\$82,902	(2)	988	\$132,113	(1)
Institution F ²	I	526	142,997	(2)	136	102,404	(1)	216	80,957	(3)	878	121,446	(2)
Institution A	I	505	140,603	(3)	147	94,769	(2)	175	83,803	(1)	827	120,436	(3)
Institution D ²	I	407	135,364	(4)	68	83,186	(4)	199	67,097	(6)	674	109,944	(4)
Univ. of Calif.	P	4226.99	115,925	(6)	1385.45	75,141	(8)	1423.85	66,482	(7)	7,036	97,889	(5)
Institution E	P	728	119,433	(5)	377	82,155	(5)	419	68,150	(5)	1,524	96,112	(6)
Institution B	P	459	111,942	(7)	285	77,420	(6)	218	65,001	(8)	962	91,077	(7)
Institution G	P	767	109,265	(8)	458.5	74,241	(9)	460.5	68,321	(4)	1,686	88,557	(8)
Institution C	P	319	107,670	(9)	244	75,648	(7)	260	61,526	(9)	823	83,598	(9)
Total³		4,348.0	\$129,083		1,850.5	\$85,887		2,163.5	\$72,554		8,362.0	\$106,278	

1. I =Independent; P = Public.

2. Estimated data

3. Weighted 50 percent public comparison institutions, 50 percent independent comparison institutions.

Source: University of California, Office of the President.

Issues of competitiveness

The Commission believes that any salary increase provided to faculty should take into consideration its impact on students, including the quantity and quality of faculty. However, current budget constraints suggest that faculty at both the California State University and the University of California are likely to receive minimal or no salary increases in 2005-06 commensurate with the figures estimated for their respective comparison institutions, in large part because of the significant budget shortfall the State is facing during both the current and budgeted fiscal years. The implications of minimal or no salary increases definitely put both the State University and the University at a disadvantage when retaining existing or recruiting new faculty who are critical to meeting the needs of students. If the differences are too large, both University systems could lose their best scholars to institutions offering more competitive salaries. Similarly, when recruiting new faculty, both systems must offer competitive packages to recent graduates, and to highly prized scholars working elsewhere, to make their offers most attractive. A reduction in the number of existing faculty, or an institution's inability to attract qualified scholars, could affect student access and undermine the quality of academic programs.

The current national recession may temper the negative effects of small or no salary increases on the University and State University in the short term, in that many public colleges and universities throughout the nation are also facing limited salary increases, in large part because of major budget shortfalls in other states. However, once the national economy improves, the State must consider what levels of compensation are best for recruiting and retaining faculty. At the same time, policy makers should recognize that compensation is only one factor that faculty use when considering job offers. Other factors such as pension plans, cost of housing, and quality of life often affect a faculty member's decision when accepting a new position in California. The Commission's parity calculations for the University and State University provide only one measure of institutional competitiveness for employing and retaining faculty.