

Executive Summary of the Economic Status of the Faculty 2012-2013 Report

Introduction

This Executive Summary provides an overview of key aspects of the most recent data set provided to the Senate Committee on the Economic Status of the Faculty, and our discussions of these data and their implications. This report covers the period from 2012 to 2013. The complete data set provided to the committee, and a more extensive discussion of these data, can be found in the full Economic Status of the Faculty 2012-2013 Report, available from the *Almanac* website at www.upenn.edu/almanac/volumes/v60/n33/esf.html. The limited data tables included within this summary report retain the numbering system used in the full report, for consistency and ease of comparison.

Mean and Median Increases to Academic Base Salaries by Academic Rank

The mean salary increase across all ranks and schools for FYs 2012-2013 was set to 2.9%. As there is some variability across academic rank, the mean and median values for Professor, Associate Professor and Assistant Professor are broken out in Table 1.

The mean increases for FY 2012-2013 of 4%, 5.6% and 3.4% for Full, Associate and Assistant Professors, respectively, continue the trend from last year of improvements over the very low raises awarded prior to 2010 in response to a difficult economic climate. While this is a positive trend, it should be noted that the average percentage increases in the academic base salary significantly trail the average increases in compensation for those senior administrators whose salaries are publically available online through Form 990 reporting (for example, see www.citizenaudit.org/231352685/) which averaged 10.4% for FY 2011-2012.

Table 1

Average Academic Base Salary Percentage Increases of Continuing Penn Standing Faculty Members by Rank in Comparison With the Consumer Price Index (CPI) and Penn Budget Guidelines

Group/Condition	Metric	FYs 2012-2013
Professor	Mean	4.0%
	Median	2.9%
Associate Professor	Mean	5.6%
	Median	2.9%
Assistant Professor	Mean	3.4%
	Median	2.9%
All Three Ranks	Mean	4.3%
	Median	2.9%
US City Average CPI Growth	Mean	1.8%
Phil. CPI Growth	Mean	1.5%
Budget Guidelines	Mean	3.0%

Notes: All salaries are converted to a nine-month base. Academic base salary increases pertain to all Penn standing faculty members with an appointment at the time of fall census for both years. Faculty members on paid leave or unpaid leave are reported at their full salaries.

Excluded are all members of the Faculty of Medicine except basic scientists, all Clinician Educators from four schools (Dental Medicine, Veterinary Medicine, Nursing, and Social Policy & Practice), faculty members on phased retirement and Deans of all Schools.

FYs 2012-2013 CPI growth for the US and for Philadelphia are based on a change in CPI from June 2012 to June 2013.

Salary Comparisons: Penn's Competitive Standing

Salary data from other institutions of higher education are provided by the American Association of Universities (AAU) Data Exchange. The AAU is comprised of 60 public and private research universities in the United States and two in Canada. The AAU includes several Ivy League institutions (e.g. Penn, Brown, Harvard, Princeton, Cornell and Yale), other private universities (e.g. Brandeis, Rice, Emory and Vanderbilt), public flagship universities (e.g., Berkeley, UCLA, the Universities of Michigan, Virginia, and Wisconsin) and other public universities (e.g., Michigan State, University of California Davis and University of California Irvine). Please refer to the AAU website for a complete list of member institutions: www.aau.edu/

While this data set provides some basis for comparison, the committee reasoned that a more relevant peer group for Penn is the subset of highly competitive private research universities, including Ivy League schools as well as premier private universities of similar caliber (Stanford, Duke, NYU, Chicago, etc.). While public universities such as Berkeley and the University of Michigan are clearly of outstanding academic caliber, these schools currently face issues and constraints related to public funding not fully shared by private universities. Thus we provide comparisons of mean academic base salaries for Full Professors to this more limited peer group in the modified version of Table 5 shown below; see the broader comparison in the version of Table 5 included in the full report, at www.upenn.edu/almanac/volumes/v60/n33/esf.html

Among this group, Penn is ranked mid-pack at 7/12. Further, the gap between some of our peers (Columbia and Stanford) and Penn is considerable and continuing to widen. Thus, the trends over time are a matter of concern, as Penn appears to be falling behind relative to institutions we consider to be

Modified Table 5

Percentage Differences in Mean Academic Base Salary Levels of Full Professors at a Sample of Comparable Research Universities for Academic Years 2006-2007 Through 2012-2013

	Full Professor Mean Academic Base Salaries: Percentage Differences*						
	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
Columbia	N/A	-0.5%	3.4%	10.9%	9.3%	8.9%	13.5%
Stanford	5.0%	6.4%	7.4%	6.6%	7.6%	7.6%	10.9%
Chicago	3.8%	4.6%	6.0%	8.2%	8.7%	8.9%	8.9%
Harvard	13.4%	13.2%	13.7%	12.4%	10.7%	9.3%	8.6%
Princeton	4.6%	5.5%	6.4%	6.4%	6.2%	6.7%	7.0%
NYU	-4.5%	-0.6%	0.8%	0.9%	0.5%	0.4%	0.3%
Penn	\$156.5K	\$163.3K	\$169.4K	\$170.1K	\$175.1K	\$181.6K	\$187.0K
Yale	0.7%	1.1%	3.1%	2.4%	1.1%	-0.7%	-0.4%
Duke	-9.3%	-6.6%	-4.8%	-5.5%	-6.7%	-3.5%	-3.6%
MIT	-6.8%	-7.2%	-5.4%	-5.3%	-5.3%	-5.4%	-4.4%
Northwestern	-5.9%	-5.9%	-4.5%	-2.2%	-3.2%	-5.2%	-5.5%
Carnegie Mellon	-18.8%	-19.0%	-19.4%	-19.1%	-20.7%	-21.8%	-21.7%

Notes: Penn academic base mean salaries are based on standing faculty members at the rank of professor. Excluded are all members of the Faculty of Medicine, except basic scientists, and all standing faculty members who are appointed as Clinician Educators. Data Source: AAUP Salary Surveys.

*Universities are ordered from highest to lowest mean salaries for full professors as of 2012-2013. For each year reported, the difference between the Penn mean salary and the mean salary for a comparison university was computed as a percentage of the Penn salary.

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our peers in regard to quality and impact.

Next, we used Table 4 to compare academic salaries at Penn with the 60 universities included in the AAU Data Exchange. Given the broad variation in salaries across schools and academic levels, comparisons to this data set are broken out by academic field and rank. Categories with fewer than five faculty members at Penn were omitted from the table to preserve confidentiality.

Penn faculty compensation ranks at or near the top of this broad set of universities in only a very few areas, most notably in the Annenberg, Nursing and Wharton schools at the Full Professor levels. Penn ranks within the top 25%

Table 4

Rank of Mean Salaries of Penn Faculty by Academic Fields as Compared to 60 Selected Universities Participating in the American Association of Universities Data Exchange (AAUDE) Survey

Academic Field	Fall 2007	Fall 2008	Fall 2009	Fall 2010	Fall 2011	Fall 2012
Full Professor						
Annenberg	1/38	1/38	1/40	1/41	1/41	1/39
Dental Medicine	10/38	11/43	2/44	9/45	10/45	9/43
Design	9/53	8/51	5/51	5/55	10/53	11/52
Engineering & Applied Science	14/56	14/53	11/53	13/57	13/55	14/54
Graduate Education	4/48	4/45	4/44	6/47	6/47	7/45
Humanities (A&S)	10/56	8/53	9/54	9/58	7/56	11/55
Law	10/41	7/39	7/37	8/40	7/39	8/38
Natural Science (A&S)	15/57	13/54	15/54	14/58	12/56	11/55
Nursing	2/26	2/25	2/24	1/17	1/19	1/19
Perelman-Basic Science	3/37	5/53	6/54	6/58	6/56	8/55
Social Policy & Practice	6/25	5/23	7/23	8/25	6/25	6/23
Social Science (A&S)	9/57	9/54	8/54	9/57	8/56	9/55
Veterinary Medicine	4/17	3/14	3/13	3/14	3/14	4/13
Wharton-Business & Management	7/53	5/50	4/51	5/55	5/53	2/52
Wharton-Public Policy	-	15/50	15/52	-	13/54	12/53
Wharton-Statistics	1/34	1/34	1/32	1/36	1/34	2/34
Associate Professor						
Annenberg	-	-	-	-	-	-
Dental Medicine	8/35	14/41	9/42	9/43	13/43	9/41
Design	7/53	6/51	3/51	3/55	1/51	3/51
Engineering & Applied Science	10/56	9/53	7/53	8/57	11/54	11/53
Graduate Education	4/48	5/44	4/44	8/48	8/45	9/44
Humanities (A&S)	10/56	6/53	12/54	12/57	11/55	13/54
Law	N/A	N/A	-	-	-	-
Natural Science (A&S)	11/57	11/54	14/54	14/58	15/56	17/55
Nursing	5/26	7/24	6/23	3/17	5/19	3/19
Perelman-Basic Science	3/37	5/53	7/54	8/58	4/55	4/54
Social Policy & Practice	-	3/24	-	-	-	-
Social Science (A&S)	11/57	11/54	8/54	7/57	8/56	14/55
Veterinary Medicine	3/17	8/14	9/13	11/14	6/14	6/13
Wharton-Business & Management	2/53	1/50	2/50	2/54	2/51	2/51
Wharton-Public Policy	-	-	-	-	-	-
Wharton-Statistics	-	2/27	-	3/31	2/27	2/30
Assistant Professor						
Annenberg	-	-	-	-	-	-
Dental Medicine	11/36	8/42	8/43	-	-	-
Design	5/52	7/49	4/50	6/55	6/51	4/50
Engineering & Applied Science	13/56	10/53	5/53	6/57	7/54	8/54
Graduate Education	6/47	6/45	6/43	7/47	-	15/43
Humanities (A&S)	19/56	17/53	14/54	14/58	14/56	17/55
Law	-	-	6/25	5/25	6/27	-
Natural Science (A&S)	18/57	15/54	15/54	15/58	15/56	22/55
Nursing	5/26	3/24	3/23	2/17	3/19	2/19
Perelman-Basic Science	6/37	7/53	10/54	8/58	6/56	9/55
Social Policy & Practice	-	6/24	6/25	6/25	-	5/24
Social Science (A&S)	10/57	13/54	11/54	8/57	7/56	8/55
Veterinary Medicine	1/17	6/14	5/13	6/14	5/14	5/12
Wharton-Business & Management	6/53	10/50	5/50	4/54	4/52	4/51
Wharton-Public Policy	-	-	1/51	-	1/54	1/53
Wharton-Statistics	1/33	1/33	-	-	-	-

in most areas at all levels, although it must be noted that this peer group includes both public and private universities.

There are only a few fields where Penn lags significantly behind our top competitors in regard to competitive compensation for faculty. Some of these fields are only slightly outside the top 25% cutoff used here, including Engineering & Applied Science and Social Policy & Practice at the Full Professor level. Here, a relatively minor upward adjustment in faculty salaries would be sufficient to move Penn to the top tier.

Strong areas of concern are also identified by this comparison. Across the board, at the Full, Associate and Assistant Professor levels, the faculty in Veterinary Medicine are under-compensated compared to their peers. The trend over time is not favorable, as faculty in this field continue to fall behind relative to their peers at other top institutions.

Also remarkable is the relatively low levels of compensation provided to Assistant Professors in Graduate Education, Humanities and Natural Science, the later ranking at the 40th percentile. It is unclear how Penn can effectively compete for the best young faculty in these disciplines without a more aggressive compensation structure.

Similar concerns were expressed in last year's report on the Economic Status of the Faculty in regard to Natural Sciences—SAS, but there does not appear to have been a significant improvement in response to the concerns expressed previously.

We remind the community that achieving excellence in all schools and areas is consistent with Penn's mission and standing in American academia. Achieving and maintaining excellence requires competitive compensation for the faculty.

Table 9

Mean Academic Base Salary Levels of Penn Standing Faculty Members who Continued in Rank by Rank

Rank	Academic Year	Average	Amount	Not Weighted	Weighted	
Professor	2008-2009	Mean	\$169,739	1.78	1.85	
		Median	\$155,600	1.94	1.85	
	2009-2010	Mean	\$172,615	1.78	1.85	
		Median	\$158,337	1.95	1.84	
	2010-2011	Mean	\$177,139	1.69	1.82	
		Median	\$161,270	1.85	1.81	
	2011-2012	Mean	\$183,176	1.66	1.81	
		Median	\$166,463	1.80	1.79	
	2012-2013	Mean	\$188,537	1.64	1.82	
		Median	\$171,500	1.88	1.82	
	Associate Professor	2008-2009	Mean	\$110,913	1.16	1.25
			Median	\$98,206	1.23	1.23
2009-2010		Mean	\$110,058	1.13	1.24	
		Median	\$99,550	1.23	1.22	
2010-2011		Mean	\$112,139	1.07	1.23	
		Median	\$100,474	1.15	1.21	
2011-2012		Mean	\$115,457	1.05	1.22	
		Median	\$102,929	1.11	1.20	
2012-2013		Mean	\$117,826	1.02	1.22	
		Median	\$104,508	1.14	1.22	
Assistant Professor		2008-2009	Mean	\$95,382	1.00	1.00
			Median	\$80,030	1.00	1.00
	2009-2010	Mean	\$97,223	1.00	1.00	
		Median	\$81,068	1.00	1.00	
	2010-2011	Mean	\$104,693	1.00	1.00	
		Median	\$87,105	1.00	1.00	
	2011-2012	Mean	\$110,157	1.00	1.00	
		Median	\$92,400	1.00	1.00	
	2012-2013	Mean	\$115,168	1.00	1.00	
		Median	\$91,400	1.00	1.00	

Notes: All salaries are converted to a nine-month base. Academic base salary increases pertain to all Penn standing faculty members with an appointment at the time of fall census for both years. Faculty members on paid leave or unpaid leave are reported at their full salaries.

Excluded are all members of the Faculty of Medicine except basic scientists, all Clinician Educators from four schools (Dental Medicine, Veterinary Medicine, Nursing and Social Policy & Practice), faculty members on phased retirement and Deans of all schools.

The data are weighted by the number of continuing faculty members at each rank in each school.

Mean Academic Base Salaries and Trends in Variability Over Time

Table 9 summarizes the mean academic base salary levels of standing faculty members at Penn continuing at the same academic rank, in order to avoid the confounding issue of salary increases upon promotion.

Trends in Variability Over Time

To examine trends in variability over time, the interquartile range (IQR), or the 75th percentile salary in the distribution less the 25th percentile salary was determined, as shown in Table 10. However, the IQR can be expected to be larger when the general salary level is relatively high (such as for Full Professors) than when the general salary level is much lower (such as for Assistant Professors). To compensate for such differences in the general level of salaries, the IQR was divided by the median of the distribution (i.e., the 50th percentile salary: Q2), producing a ratio of the IQR to the median (as reported in the next to last column of Table 10 labeled "IQR to Median"). This ratio provides an index of the amount of variability in relation to the general level of the salary distributions and has utility when comparing variability across ranks and trends over time.

The trends illustrated by Table 10 do not show pronounced changes in salary variability over time with one major exception. There is a very striking increase in the range of salaries paid to Assistant Professors. In 2008-2009, the IQR for Assistant Professors was \$30,725, and by 2012-2013, the range from the first quartile to the third quartile increased to \$75,975.

The SCESF believes that for Penn to continue as a preeminent research university, faculty excellence must be maintained across all schools and programs. We therefore express concern about this broad variability in compensation for those relatively newly recruited to Penn and who have the most potential to significantly contribute to Penn's reputation going forward.

Variability by Gender

The issue of gender equity in compensation continues to be part of the national conversation and also an issue of potential concern at Penn. Two tables in the full report address issues of annual salary increases (Table 11) and mean academic base salary (Table 12, included in part below) broken out by gender. At every academic level, percentage salary increases are similar for both men and women. However, analysis of academic base salaries reveal striking differences between men and women across the campus. At the Full Professor level, the mean salary for women is \$14,139 less than for men. At the Associate Professor level, the mean salary for women is \$11,806 less than the mean for men. Even at the Assistant Professor level there is a substantial gap, with the mean salary for women \$8,822 less than that of male faculty.

Table 10

Variability of Academic Base Salary Levels for Faculty Who Continued in Rank:

First, Second and Third Quartile Median Salary Levels by Rank and Year

Rank/ Academic Year	Q1	Median	Q3	IQR	IQR to Median Ratio	# of Areas
Professor						
2008-2009	\$130,610	\$155,600	\$200,000	\$69,390	0.45	14
2009-2010	\$131,572	\$158,337	\$202,875	\$71,303	0.45	14
2010-2011	\$135,000	\$161,270	\$209,131	\$74,131	0.46	14
2011-2012	\$139,318	\$166,463	\$218,935	\$79,617	0.48	14
2012-2013	\$142,300	\$171,500	\$224,500	\$82,200	0.48	14
Associate Professor						
2008-2009	\$86,376	\$98,206	\$117,700	\$31,324	0.32	13
2009-2010	\$85,700	\$99,550	\$115,266	\$29,566	0.30	13
2010-2011	\$86,613	\$100,474	\$117,300	\$30,687	0.31	13
2011-2012	\$90,000	\$102,929	\$120,025	\$30,025	0.29	13
2012-2013	\$91,950	\$104,508	\$122,829	\$30,879	0.30	13
Assistant Professor						
2008-2009	\$72,568	\$80,030	\$103,293	\$30,725	0.38	14
2009-2010	\$73,750	\$81,068	\$106,080	\$32,330	0.40	14
2010-2011	\$76,000	\$87,105	\$135,000	\$59,000	0.68	14
2011-2012	\$78,849	\$92,400	\$146,000	\$67,151	0.73	14
2012-2013	\$82,025	\$91,400	\$158,000	\$75,975	0.83	13

Notes: All salaries are converted to a nine-month base. Academic base salary increases pertain to all Penn standing faculty members with an appointment at the time of fall census for both years. Faculty members on paid leave or unpaid leave are reported at their full salaries.

Excluded are all members of the Faculty of Medicine except basic scientists, all Clinician Educators from four schools (Dental Medicine, Veterinary Medicine, Nursing and Social Policy & Practice), faculty members on phased retirement and Deans of all Schools.

The data are weighted by the number of continuing faculty members at each rank in each school.

The committee acknowledges that some of this disparity results from differences in gender ratios in faculty among the different schools, with traditionally male-dominated fields receiving higher compensation than traditionally female-dominated fields. This type of gender imbalance can be accounted for, to some extent, by calculating weighting factors as shown in the complete Table 12 published in the full committee report. Last year, The Provost's Gender Equity Report presented a more nuanced analysis of gender-based inequity in faculty salaries. Using a multivariate regression, the influences of differences in rank, time in rank, discipline and position as department chair or endowed chair explained much of the gender discrepancy in salary. However, 20% of the gender imbalance in salary remained, indicating a persistent, concerning gender-associated inequity in faculty salaries.

We feel it is important to point out the surprising gender inequities that persist at Penn through 2013, even at the entry-level position of Assistant Professor, considering that the University is now headed by its second female president in a row.

The full report of the committee provides a set of 12 tables, provided by the central administration, that were used as the basis for committee discussions and both the Executive Summary and full report.

The committee met three times to discuss the data, including one extensive question-and-answer session with the Vice Provost for Faculty Anita Allen, and once to finalize the draft reports.

Table 12
Mean Academic Base Salary Levels of Penn Standing Faculty Members who Continued in Rank by Gender and Rank

Academic Year	Metric	Unweighted		% Difference
		Women	Men	
Full Professor				
2008-2009	Mean	\$160,576	\$171,779	7.0%
	Median	\$143,983	\$157,550	9.4%
2009-2010	Mean	\$161,532	\$175,440	8.6%
	Median	\$148,541	\$160,000	7.7%
2010-2011	Mean	\$166,221	\$180,044	8.3%
	Median	\$152,030	\$163,900	7.8%
2011-2012	Mean	\$172,035	\$186,174	8.2%
	Median	\$158,631	\$169,112	6.6%
2012-2013	Mean	\$178,939	\$191,240	6.9%
	Median	\$167,606	\$172,921	3.2%
Associate Professor				
2008-2009	Mean	\$104,061	\$114,076	9.6%
	Median	\$93,636	\$101,900	8.8%
2009-2010	Mean	\$101,538	\$114,421	12.7%
	Median	\$92,925	\$102,750	10.6%
2010-2011	Mean	\$103,011	\$116,923	13.5%
	Median	\$93,557	\$105,175	12.4%
2011-2012	Mean	\$107,783	\$119,589	11.0%
	Median	\$97,250	\$108,000	11.1%
2012-2013	Mean	\$107,877	\$123,145	14.2%
	Median	\$98,350	\$110,153	12.0%
Assistant Professor				
2008-2009	Mean	\$89,046	\$100,012	12.3%
	Median	\$76,400	\$84,615	10.8%
2009-2010	Mean	\$89,601	\$102,559	14.5%
	Median	\$77,925	\$85,152	9.3%
2010-2011	Mean	\$98,764	\$108,534	9.9%
	Median	\$82,250	\$90,253	9.7%
2011-2012	Mean	\$104,768	\$113,590	8.4%
	Median	\$84,913	\$94,425	11.2%
2012-2013	Mean	\$104,802	\$121,832	16.3%
	Median	\$86,398	\$97,732	13.1%

Notes: All salaries are converted to a nine-month base. Academic base salary increases pertain to all Penn standing faculty members with an appointment at the time of fall census for both years. Faculty members on paid leave or unpaid leave are reported at their full salaries.

Excluded are all members of the Faculty of Medicine except basic scientists, all Clinician Educators from four schools (Dental Medicine, Veterinary Medicine, Nursing and Social Policy & Practice), faculty members on phased retirement and Deans of all Schools.

Female faculty members are weighted using male weights. Male weights are calculated as a ratio of male faculty in each school/area to the total number of male faculty at Penn. Percent difference is calculated as the difference between male and female salaries divided by the female salary. Negative percent differences occur when the female salary exceeds the male salary.

SCESF Recommendations and Questions for the Administration for 2013-2014

In accordance with Faculty Senate policy, following are recommendations and questions for the administration that arose in the SCESF discussions, including some updates on the status of recommendations made in previous SCESF reports. The administration's responses appear in italics after the committee's recommendations.

1. Salary Competitiveness

To provide high-quality instruction, research and service, the University must attain and maintain faculty salaries at levels that are competitive with peer institutions in the top tier of American research universities.

SCESF Recommendations

a. Comparisons of mean salaries at Penn to the most relevant peer group show that Penn consistently ranks mid-tier (7/12). Further, there is some evidence that other schools are showing a more positive rebound in faculty compensation following recovery from the economic downturn than is evident in the mean salary data from Penn. Of note, the salary increases, on a percentage basis, for senior administrators at Penn (~10%; according to Form 990 reporting available online by searching Form 990 and Penn; for example, see www.citizenaudit.org/231352685/) are greater than the modest rebound (2.9%) in annual salary increases awarded to the faculty. The SCESF recommends that priority be placed on maintaining mean salaries at competitive levels for the faculty at large.

SCESF Recommendation: The SCESF recommends that priority be placed over the next three years on salary recovery for faculty, in order to maintain mean salaries for Penn faculty at levels competitive with our peer institutions.

b. SCESF acknowledges that it is not a goal of the University administration nor of the Board of Trustees to attain parity in faculty compensation across diverse fields, departments and schools. Still, we express concern about the consistently lower levels of compensation in some areas, in regard to similar fields at peer institutions. Veterinary medicine is one field that has consistently been noted as an issue, and also Natural Science. We continue to question whether the University can retain and attract the highest-quality faculty members unless some faculty salaries improve markedly in relation to peer institutions. Further, the overall excellence of Penn is dependent on all schools and departments continuing to thrive.

SCESF Recommendation: The SCESF recommends that priority be placed on maintaining faculty salaries within the top 25% of salaries of peer institutions, assessed by discipline (Table 4 above). Some fields will require relatively minor adjustments, including Engineering & Applied Science and Social Policy & Practice at the Full Professor level. However, we have strong concern about the uncompetitive nature of the salaries received by Assistant Professors in Graduate Education, Humanities and Natural Science, and faculty at all levels in Veterinary Medicine. It is unclear how Penn can effectively compete for the best young faculty in these disciplines without a more aggressive compensation structure.

The University is strongly committed to competitive faculty salaries that facilitate the recruitment and retention of an eminent and diverse faculty who are excellent in teaching, research and service. Penn's faculty salaries remain competitive. With respect to economic recovery, in recent years, mean and median academic base salary percentage increases for Penn's standing faculty have consistently exceeded growth in both the US city average and the Philadelphia consumer price index (CPI). Moreover, when adjusted for cost of living, Penn's compensation for Full Professors has remained highly competitive, compared to top public, top private and most elite Ivy-Plus universities. Penn's Deans continue to allocate salary pool increases to reward faculty merit. Faculty and staff salaries have increased in the Dental School and the School of Veterinary Medicine, where financial challenges unique to those schools still commend constraint.

The Committee's comparisons of faculty salaries to senior administrative salaries reported on Tax Form 990 are potentially misleading. First, as legally required, total compensation rather than base salary alone is reported on Penn's Form 990, a fact that is obscured in the Committee's report. Benefits above salary such as tuition benefits and supplemental life insurance are included in the Form 990 data and can be variable from year to year. Second, the Committee's analysis does not take into account that some individuals whose income is listed on the 990 served in a given position for less than a full reporting year and subsequently worked a full reporting year, creating the impression that the subsequent year's salary included a large raise. Third, as the Committee observed, the individuals reported in Penn's tax filings include a number who are not members of the standing faculty; indeed, they represent a narrow band of individuals whose compensation is not representative of the vast majority of administrators at the University. The salaries of senior administrators, like those of faculty members, demonstrate considerable variability reflecting very substantial differences in the employment markets for these positions. The salaries reported on the 990 undergo special review and are approved by Penn's Trustees, in a process that utilizes external consul-

ants knowledgeable in the market for the salaries for each particular position. The University continues to be committed to awarding competitive compensation packages to all faculty members in all tracks and ranks, as appropriate and commensurate with the market for each position.

2. Gender Equity

SCESF is concerned about gender equity at all ranks for university faculty as a whole. While these differences may be partially explained by differences in rank, time in rank, discipline, and position as department chair or endowed chair, as previously noted (please see the "weighted" values in Table 12 in the full report as well as the Provost's response to last year's SCESF report), all of these aspects together indicate that there is not yet true gender equity at Penn.

SCESF Recommendation

We encourage the Vice Provost to focus on reducing gender inequity in rank, time in rank, discipline and position as department chair or endowed chair and to continue to reduce or eliminate gender inequity in faculty compensation at Penn.

Variability in faculty salaries reflects very substantial differences in the employment markets for new PhDs and new professional school graduates in the twelve Penn schools and academic disciplines. The University reaffirms its strong commitment to gender equity in salaries. As the Committee notes, apparent differences in the salaries of men and women faculty members are largely a function of the gender composition of various fields represented on the Penn faculty. A comprehensive review of salaries by gender was conducted in conjunction with the January 15, 2013 Progress Report on Gender Equity published in Almanac. The review found no clear indication of gender-associated salary inequity. Rather it found that "once additional variables for discipline, rank, time in rank, and status as endowed professor and/or department chair were added, the differences between men's and women's salaries declined to 2.6%." As the review stated, the fact that this remaining 2.6% difference could not be accounted for statistically may indicate the limitations of the model. The Office of the Provost remains committed to addressing any unwarranted differences in faculty salaries and every year closely reviews salaries to monitor fairness and equity.

3. Additional Points of Concern

a. SCESF continues to believe faculty benefits should be comprehensively reviewed every five years to ensure competitiveness with peer institutions.

The University welcomes attention to faculty benefits. In the past, data from the American Association of University Professors (AAUP) were provided to address the Committee's emphasis. As was noted last year, the University remains interested in market competitive faculty benefits and periodic review of faculty benefits in collaboration with the Division of Human Resources. We regularly engage the University Council's Committee on Personnel Benefits.

b. SCESF is concerned that the compensation of the faculty in the Clinician-Educator track does not receive sufficient oversight. We recommend that data be provided to the committee to allow for review of this track in the future, or that a parallel committee be set up to effectively monitor the compensation of these valued members of the Penn community.

The CE track is very heterogeneous, with a compensation structure that reflects that heterogeneity. The vast majority of CE track faculty—more than 800—are faculty members in the Perelman School of Medicine ("PSOM"). According to current PSOM compensation guidelines, salaries can change quarterly. Given the very competitive external market for clinical faculty, PSOM continuously monitors compensation levels through the American Association of Medical Colleges, the University Health Consortium and the Hay Group, which surveys 30 peer institutions. Volatility in productivity-based salaries does not lend itself to the same type of analysis the Committee traditionally conducts for tenure track faculty.

Members of the 2013-2014 Senate Committee on the Economic Status of the Faculty

Julie Blendy, Perelman School of Medicine
Peter Fader, Wharton School
Erika Holzbaur, Chair, Perelman School of Medicine
Sarah Kagan, School of Nursing
Janice Madden, School of Arts and Sciences/Sociology
Lorraine Tulman, School of Nursing
Ex officio
Senate Chair-Elect, Claire Finkelstein, Law School
Senate Chair, Dwight Jaggard, SEAS
Senate Past Chair, Susan Margulies, SEAS

The Committee would like to gratefully acknowledge the essential and valuable assistance of Vicki Hewitt of the Office of the Faculty Senate. The Committee also notes that this year's report directly benefited from the presentation and analysis in last year's report, much of which is still relevant and some of the text of which is included here.