Board of Managers Approves 2013-14 Budget, Sets New College Minimum Wage

by Alisa Giardinelli

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It has been nearly 10 years since Swarthmore's Board of Managers approved a proposal to improve compensation for the College's lowest-paid staff members. The measure capped work begun in 2000 by students, faculty, and staff to advocate for a new standard. The Board also committed to routinely reviewing the College's pay structure to ensure that a living wage is maintained.

Fast forward a decade; at its February meeting, the Board approved the budget for the College's 2013-14 fiscal year - including a new College minimum wage of $12/hour. This rate is higher than the minimum wages at area peer institutions. The Board also approved a salary pool increase of 2.5 percent, which is competitive relative to our peers.

Given all the global and national financial changes that have occurred since the Board accepted the 2004 proposal, now is a good time to ask - how is the College doing in regard to its commitment to providing a living wage to all staff members? Vice President for Human Resources Pamela Prescod-Caesar and Christian Schumann, director of compensation and benefits, share their thoughts.

**Question: What is the minimum wage review?**

In December 2004, the Board of Managers approved a proposal to raise the College's minimum wage to $10.38, with a subsidy, or benefit bank, to make family health care more affordable. The proposal was forged during two years of campus-wide study and discussion, initially inspired by the efforts of a student-led living wage campaign.

The College also committed at that time to conduct a periodic review of the minimum wage rate. Our goal in conducting this review was to assess where we will be with July 2013's budget compared to where we were in December 2004.

We've come a long way in addressing these issues.

**Q: How did you conduct the review?**

We reviewed the documents the College's Ad Hoc Committee on the Living Wage developed in 2004. It's clear it was a thorough, thoughtful process, one that was generous and reflected the community's priorities. We updated this methodology and made sure we used it when we assessed where we are today to see where we stand in relation to our initial goals.

**Q: Are we keeping up with what was promised?**

In December 2004, the College's minimum wage was $10.38/hour. In July 2013, it will be $12/hour. When the benefit bank is factored in, the base pay in 2004 was $11.48, and in 2013 it will be $12.32.

We prepared this data using the **Living Wage Committee's methodology along with current salary survey data [pdf]**. The projected minimum wage for July 2013 would have been $11.33. So even without the benefit bank, the College's minimum wage in July 2013 will be higher than what the Committee proposed.

A survey of other colleges in and around Philadelphia revealed ranges from $10.50 - $11.50/hour. We also have a zero dollar employee contribution and employee and child option in our HMO. Other colleges are astounded by this, but we do this to ensure that every benefits-eligible staff member has access to affordable healthcare.
The benefit bank will remain in place through 2014, at which point salaries will enable staff members to manage these expenses without supplement.

**Q: Were you surprised by anything as a result of this review?**

Peer institutions don’t include temporary and outsourced workers in their payroll studies. We do, and we’re doing very well in comparison.

Chris: I met with my colleagues at area schools and compared what we do with what they do in regard to salaries. When I described our approach, getting a “wow” in response, especially as a new person, was really nice to hear.

**Q: What steps does Human Resources take to ensure that all of the College’s staff members are paid equitably?**

Every year, we look at how our pay rates compare to others, both in and outside of higher education. We recently concluded our salary planning for the fiscal year 2013-14, which we are pleased will result in an average salary increase of 2.5 percent.

For salary planning, we consulted various surveys specializing in pay and compensation - Mercer, Western Management Group, CUPA-HR, and some others - that contain market data projections for higher education and elsewhere, both regionally and nationally. We work hard to pay competitively for jobs found in higher education as well as jobs found in other industries, such as those in IT and accounting.

**2 comments**

**Andrew Karas** • 2 months ago

One might note that this exciting news is the latest chapter in an ongoing saga of wages at Swarthmore. For one take on the recent history, check out this article: [http://daily.swarthmore.edu/20...](http://daily.swarthmore.edu/20...)

**disqus_jLnpE5q0vq** • 2 months ago

From Pamela Prescod-Caesar: We are also happy to note that the highest hourly wage for student workers will increase 2.5 percent to $9.43, effective in July.

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