Faculty Living Compensation Proposal
October 29, 2004

As a college and a community that is committed to nurturing and displaying ethical intelligence, we have a responsibility for the well being of our entire community. It is particularly important to us as faculty, students, and administrators that all those who work with us earn enough to meet the minimal needs of their families, a principle at the core of a living compensation. To live and work at an institution where the infrastructure and surroundings on which we depend are cared for by people whose compensation can not support them and their families is to take advantage of those who are less well off economically. We recognize that there is little we can do about such problems in the larger society and the world in which we live, but we nonetheless should act where we can, just as we hope our students will act where they can when they leave Swarthmore and participate in the larger world. We have a special responsibility to our own community. We have some control over the conditions in that community, and we want to act in ways that models such responsibility to our students. A commitment to providing all our employees with living compensation is a sound, humane, and just policy and an important piece of pedagogy.

We also recognize that there are often economic limits on the possibilities of fulfilling our principles. There is often a gap between what we articulate as ideals and what can actually be achieved. This, too, we teach our students. To teach otherwise would be imprudent and irresponsible. What ethical intelligence demands is finding a balance between what we aim to achieve and what we can achieve at any particular moment, and finding ways to maintain a clear vision of our ideals and continue moving to realize them as circumstances permit in the future.

If we cannot, at this moment, achieve the goal of living compensation for all of our staff, we nonetheless affirm it as a principle, and affirm that we will continue striving to reach it. We also affirm the importance of obtaining greater staff input on this issue in all steps we may take in the future. Consistent with these affirmation, we propose that the following first steps toward achieving these goals be implemented in the 2005-2006 budget year:

1. Swarthmore college will establish $11.26/hour as its minimum wage. [This is the $10.72 recommended by the Ad Hoc Committee along with the annual inflation adjustment it also recommended. Since the College's new minimum wage will go into effect two years after the Ad Hoc Committee did its calculations of a "living wage," we have adjusted the minimum upward for two years of inflation at 2.5% per year.]

2. The College will retain the current Benefit Bank program that allows employees to use these funds for health insurance expenses and dependent care expenses. It will not treat the Benefit Bank as part of the effective wage. The College hopes and expects that many
employees will use Benefit Bank dollars to defray child care and other dependent care expenses and to defray health care costs not covered by CHIP or the College funded program.

3. Swarthmore will add a subsidy, conditional on means-testing, to cover the costs of health insurance for partners or spouses of employees. Employees earning up to $18/hr will be eligible for this benefit on a sliding scale, as described in the report of the Ad Hoc Committee. Eligible employees will be expected to make use of CHIP to cover the health insurance costs of their children, and the College will assist them in filing for these benefits. Employees earning between $11.26 and $18/hour who file for CHIP coverage for their children but find that such coverage is denied will be covered by the College.

4. The College will charge the Faculty/Staff Benefits Committee to review the status of the College’s commitment to this wage and health care package in light of current financial circumstances and living costs at least every two years, with the aim of moving the College toward the living compensation targets identified by the Ad Hoc Committee as financial circumstances permit.

5. Swarthmore College is committed to treating health insurance expenses and child care expenses on an equal footing as legitimate components of living compensation. However, the College is not at this time in a financial position to support child care expenses as recommended by the Ad Hoc Committee.

6. A multi-constituency Employment Practices Advisory Committee should be created that monitors changes in the workforce in an effort to detect and correct potential unintended negative consequences of the change in the College’s compensation policy that might follow from the implementation of the above recommendations. The Committee’s primary concern would be to ensure that the College’s employment principles—as articulated in the report of the Ad Hoc Committee and elsewhere—remained central to its practice. The Committee should participate in the Board of Managers’ annual review of College employment practices with the Human Resources Department.

The faculty also requests that the Administration work with the faculty to set up a fund that would enable voluntary contributions that would help defray the initial costs of the program.