LOCALITY PAY

In recent weeks, the issue of locality pay policies for school teachers and state employees has become prominent. Several local legislators have spoken out in favor of locality pay policies to help areas like the Eastern Panhandle deal with the challenge of non-competitive salaries in our immediate regions.

Shepherd University is struggling with these problems in a very serious way. Higher prevailing salaries in Virginia, Maryland and Pennsylvania have contributed to dangerously high employee turnover at Shepherd.

The following letter was distributed to local legislators to lend support to this initiative.
July 25, 2005

The Honorable John Unger
P.O. Box 2415
Martinsburg, WV 25402

The Honorable John Yoder
P.O. Box 940
Harpers Ferry, WV 25425

The Honorable Walt Helmick
1105 10th Avenue
Martinsburg, WV 24954

The Honorable Clark Barnes
1105 Harrison Avenue
Elkins, WV 26241

The Honorable Locke Wysong
P.O. Box 772
Charles Town, WV 25414

The Honorable John Doyle
P.O. Box 1607
Shepherdstown, WV 25443

The Honorable Bob Tabb
1885 Darke Lane
Kearysville, WV 25430

The Honorable John Overington
491 Hoffman Road
Martinsburg, WV 25401

The Honorable Walter E. Duke
112 Tavern Road
Martinsburg, WV 25401

The Honorable Vic Roberts
P.O. Box 89
Gerrardstown, WV 25420

The Honorable Craig Blair
167 Water Drive
Martinsburg, WV 25401

The Honorable Charles S. Trump, IV
171 S. Washington Street
Berkeley Springs, WV 25411

Dear Senators Unger, Yoder, Helmick and Barnes, and Delegates Wysong, Doyle, Tabb, Overington, Duke, Roberts, Blair and Trump:

On behalf of Shepherd University and as the Chair of its Board of Governors, I would like to explain to you why Shepherd University feels that there is a critical need for funding for locality pay to become a component of the public policy of the State of West Virginia for public employees.

Shepherd University sits in Shepherdstown, directly overlooking the banks of the Potomac River. Washington and Frederick counties in Maryland are immediately to our north and northeast, and Clark and Loudon counties in Virginia are immediately to the south of Jefferson County. Jefferson, Berkeley and Morgan counties have increasingly become both “bedroom communities” of the greater metropolitan Washington area and also the home of increasing locally-based business, technology and centers for federal agencies. The growth of population and business in these three counties has been considerable and in most respects is a wonderful development for both the Eastern Panhandle and the entire State. However, the growth in our own counties and in the surrounding counties has created specific issues as to salaries for public employees.
We must pay our public employees at a sufficient rate to permit them to live in the Eastern Panhandle. Housing costs have especially soared in the Panhandle. Our local real estate professionals tell us that the average cost of a home in Jefferson County is rising at rates of 30-40% per year, and the average in Berkeley County is rising well above 10% per year. The average sale price in Jefferson County has reached $301,000!

We must pay our public employees at a sufficient rate to be reasonably competitive for professional-level positions. Our faculty recruitment must be done on a national scale in order to have the quality of instruction that Shepherd has been nationally noted for over many years. But on a national or regional scale, Shepherd is not only uncompetitive with larger universities across the country, but our salaries are also uncompetitive with institutions of similar sizes and missions.

The Higher Education Policy Commission and LOCEA have established 10 official “peer institutions”, from across the country, for Shepherd. Shepherd’s average faculty salary is $3100 less than the aggregate average of our 10 peers, and Shepherd’s average salary is third worst of the group (we are ahead of the second-worst by only $74). The gaps in what we are able to offer beginning, tenure-track faculty are almost identical. In a locality with higher housing costs than any of our peers, we are trying to attract faculty while offering significantly less than almost all of those peers.

Regionally, Shepherd is also struggling to compete financially for faculty. Our average faculty salary is almost $5800 less than the aggregate average of our regional competitors, out of which group we are seriously trailing all except Fairmont State and Concord, both in West Virginia and both only marginally lower in salaries. It is now common for a faculty member to leave Shepherd and take a position at one of these regional competitors for $10,000-$15,000 more salary for an equivalent position.

The failure of competitiveness leads to dangerously high levels of turnover and great difficulty in filling positions. In the past two academic years, 2003-04 and 2004-05, we have lost 41 full-time faculty members from a teaching faculty of around 110. This means we have lost over 1/3 of our teaching faculty in two years time. Of the 41, eight retired. Others left for a variety of reasons including needing to move for family reasons or taking a different career outside of teaching. At least half of the 41 left for financial reasons—they simply could not afford to continue to teach for us.

To illustrate the recruitment problem, in one of our four academic schools we had seven active searches this year. Four of those were continued from the past year when we were not able to hire anyone to fill those openings. Of the seven active searches this year, only two have been successful. In one we offered the position to four people before having our offer accepted. In the other it was accepted by the second person to whom it was offered. We still have offers out on two of the searches and hope they will be accepted. Three of the searches were not successful and will have to be continued next year. We will have to use adjuncts to cover the courses that would have been taught by those three people.

In each of the searches we had highly qualified candidates who expressed interest in joining our faculty. Each was very aware of Shepherd’s reputation and the quality of the faculty. All wanted to be part of a school that took teaching and professional development activities seriously. Shepherd was their choice for an ideal school. In every case that an offer was made and rejected, the reason given was the low salary coupled with the high workload and high cost of living. They stated that they wanted to be a part of the community where they worked but knew they could never afford to become part of the Shepherdstown community. They would not be able to own a home on the salary of a faculty member.
A few specific examples:

The Education Department took three years to find a qualified candidate who would accept our salary offer in an Elementary Education position. They have two searches in progress at the moment. One will have to continue into the next year and the last viable candidate for the second position has tentatively agreed to join our faculty. These staffing problems have delayed the beginning of a much needed masters degree program for school teachers by at least six months.

In Health /Phys Ed /Recreation, we have had three resignations in two years. The top choice for one of the positions just turned the offer down. We have three positions being filled by people in visiting positions as we cannot get people with terminal degrees in the field to accept our salary offers.

We have been attempting to hire faculty with PhDs in Computer Science and Business for several years to meet accreditation and program quality requirements. Our very limited efforts to increase salaries to accomplish this goal has strained the institution's budget.

Our search for a head librarian has taken almost two years to complete. Offers were made and rejected. Our top candidate was just across the border in Pennsylvania but said the high cost of living in our area would make her lose money from her current position. We have selected a candidate who is talented, but for the first time in almost twenty years the Library Director will not have a terminal degree.

All of these problems are also manifesting themselves with regards to professional, administrative staff, also. A senior IT programmer has very recently left Shepherd for Fairmont State. I declined our effort to make a counter offer equivalent to their salary offer, reflecting that even the higher salary would not remedy the fact that in Jefferson County he could only afford to live in a trailer, but the same salary in Fairmont will allow him to buy a very pleasant house.

Shepherd is a true jewel for the State of West Virginia and we are proud to be a connection point between our State and the rest of the Mid-Atlantic, but we are in danger of losing our luster quickly without attention to the issue of funding for salaries. We know that you share our interest in keeping the strong quality of Shepherd University intact. All that you can do to cause funding of locality pay to become a part of the policy of West Virginia will be great service to our commitment to education.

Sincerely,

John M. Sherwood
Chair, Shepherd University Board of Governors