

Adjunct faculty: Personal finances and retirement savings

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Executive summary

This report examines adjunct faculty personal finances and financial behavior, including retirement savings. Adjunct faculty are defined as part-time nontenure-track faculty, aside from those with career employment outside higher education and those retired from a tenured position.

Adjunct faculty are paid an average of \$3,000 per course; almost 60% receive less than that. At the same time, 60% of adjuncts are in households with incomes of \$50,000 or more; 30% have household incomes of \$100,000 or more. Adjunct faculty household income is highly correlated with marital status.

More than 40% of adjunct faculty reported working for pay in addition to their college or university employment. This was less common among older adjuncts, those earning \$4,000 or more per course, and those with household incomes of \$100,000 or more.

Three-quarters of adjunct households carry debt. The most common debt sources are credit cards and home mortgages. Not surprisingly, student loan debt is more common among younger adjunct faculty—48% of those under age 40 as opposed to 12% of those age 55 and older.

Almost 90% of adjunct faculty report that they (and their spouse or partner) are currently saving; the most common reason for saving is retirement. Building an emergency fund is the only non-retirement objective for which most adjuncts are saving.

Almost two-thirds of adjunct faculty report personally saving for retirement in the past year. More than one-third contributed to a retirement plan offered by a college or university where they worked. The frequency of retirement savings is somewhat greater in a household context—72% of adjunct households are currently saving for retirement.

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Among adjuncts who did not personally save for retirement in the past year, 74% either had no plan available from a college or university or were unsure whether they did. Most say that they likely would have contributed if a plan had been available.

Forty-one percent of adjunct households have received financial advice from a professional advisor within the past two years, while one-third are at least somewhat interested in doing so.

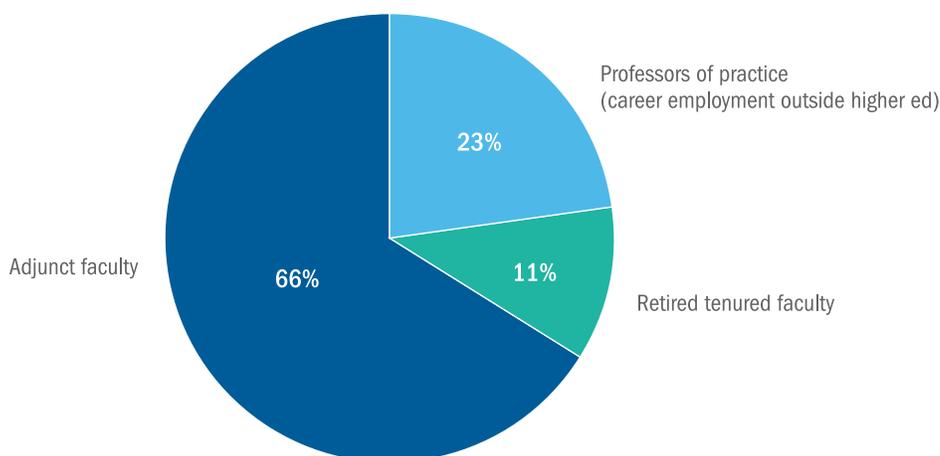
Introduction

Part-time nontenure-track faculty are almost one-half (47%) of the academic work force in U.S. higher education.¹ These faculty can be divided into three groups: those with career employment outside higher education,² those retired from a tenured position, and the remainder who are referred to as “adjunct faculty” in this report. Adjunct faculty account for two-thirds of part-time nontenure-track faculty (Figure 1).³ Thus, adjuncts account for approximately one-third of all faculty.⁴

Figure 1. Adjunct faculty in higher ed

Almost 1/2 of faculty are part-time nontenure-track and 2/3 of these are adjunct faculty.

Part-time nontenure-track faculty



Source: 2018 Adjunct Faculty Survey, TIAA Institute.

¹ Tenured and tenure-track faculty account for one-third, with full-time nontenure-track faculty accounting for the remainder (19%). Figures based on 2016 IPEDS data.

² These faculty are referred to as “professors of practice” or, sometimes, as “executives or professionals in residence.”

³ Based on screening counts during fielding of the 2018 Adjunct Faculty Survey.

⁴ Clinical faculty in professional schools are sometimes referred to as adjunct faculty. In addition, some colleges and universities give the title “adjunct” to tenured and tenure-track faculty with courtesy appointments in other units. Neither of these is considered adjunct for purposes of this study, nor are graduate students. Not all adjunct positions involve teaching responsibilities; in some cases, adjunct faculty may have a research position. Ninety-eight percent of adjuncts in this study taught at least one course.

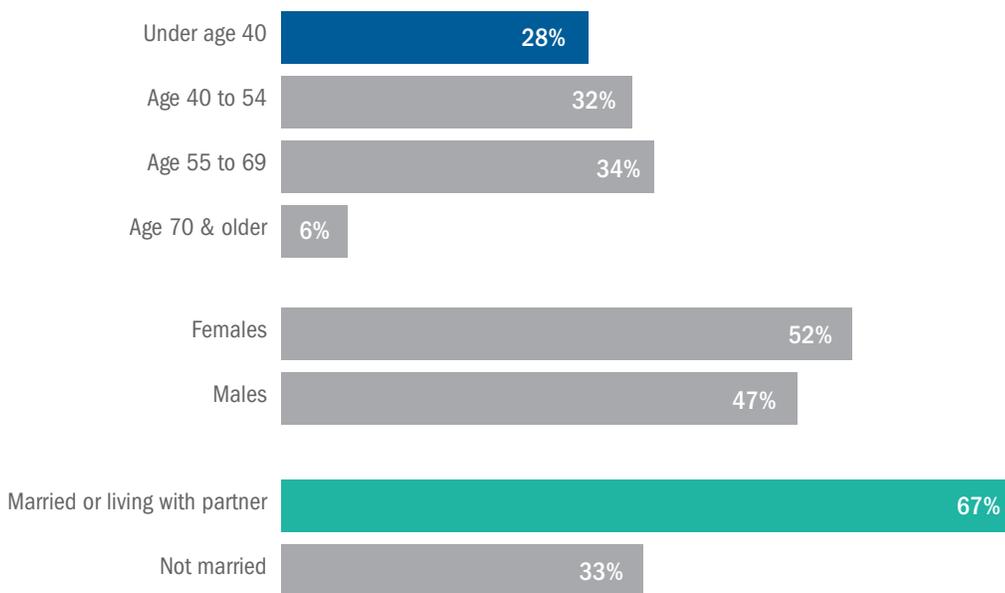
This report leverages data from the TIAA Institute's 2018 *Adjunct Faculty Survey* to examine the personal finances and financial behavior of adjunct faculty from all sectors of American higher education. A previous report used the same data to examine the demographics and work experience of adjunct faculty.⁵ See Appendix A for a discussion of survey methodology.

Adjunct faculty and their households

The average age among adjunct faculty is 50; 72% are age 40 or older (Figure 2).⁶ A slight majority (52%) are female. Female adjuncts tend to be younger than their male peers, with an average age of 47 compared to 53 among male adjuncts (Appendix Table B1). Two-thirds of adjuncts are married or living with a partner. Female and male adjuncts are equally likely to be living with a spouse or partner (68% of females and 66% of males).

Figure 2. Adjunct demographics

More than 70% of adjuncts are age 40 or older; 2/3 have a spouse or partner.



Source: 2018 *Adjunct Faculty Survey*, TIAA Institute.

⁵ See Yakoboski, Paul. "Adjunct Faculty: Who They Are and What is Their Experience?" TIAA Institute *Trends and Issues* (November 2018).

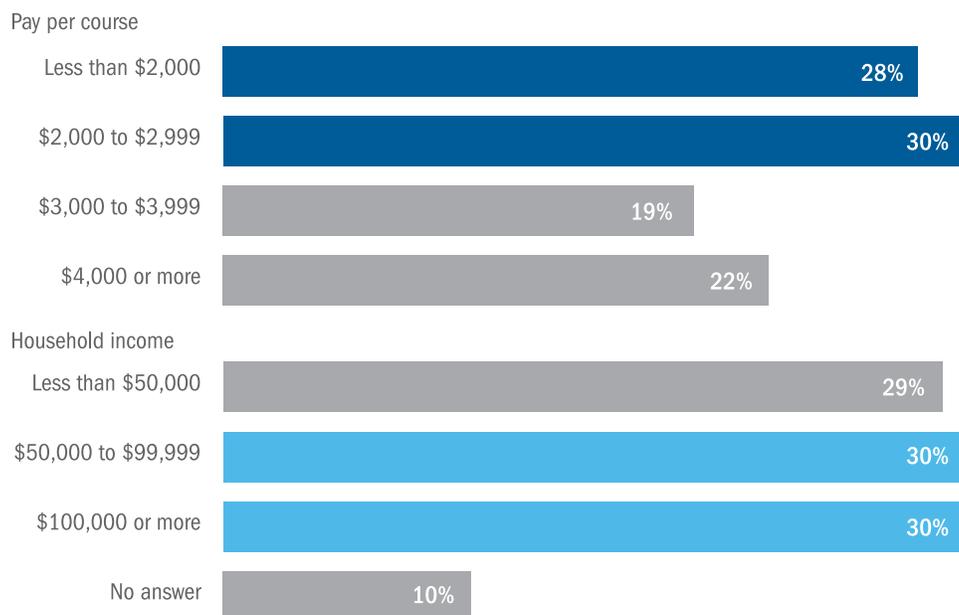
⁶ In a survey by the American Federation of Teachers (AFT), 33% of part-time faculty are under age 45, 31% are age 45 to 54, and 36% are age 55 or older. See "Survey of Part-Time and Adjunct Higher Education Faculty," conducted on behalf of the American Federation of Teachers by Hart Research Associates (January 2010) in *American Academic*, vol. 2, March 2010 (AFT Higher Education).

Adjunct faculty are paid an average of \$3,000 per course, but almost 60% receive less than this amount on average (Figure 3).⁷ At the same time, 60% of adjuncts are in households that have incomes of \$50,000 or

more; 30% have household incomes of \$100,000 or more. The majority of adjuncts are in households where adjunct earnings are not the primary income source.⁸

Figure 3. Adjunct pay and household income

Average pay per course is \$3,000, but 60% of adjunct households have annual incomes of \$50,000 or more.



Source: 2018 Adjunct Faculty Survey, TIAA Institute.

It is not surprising, then, that adjunct household income is highly correlated with marital status. More than two-thirds (69%) of single adjuncts (including divorced, separated and widowed) report household income of less than \$50,000; 49% report household income of less than \$35,000. In contrast, 87% of adjuncts with a

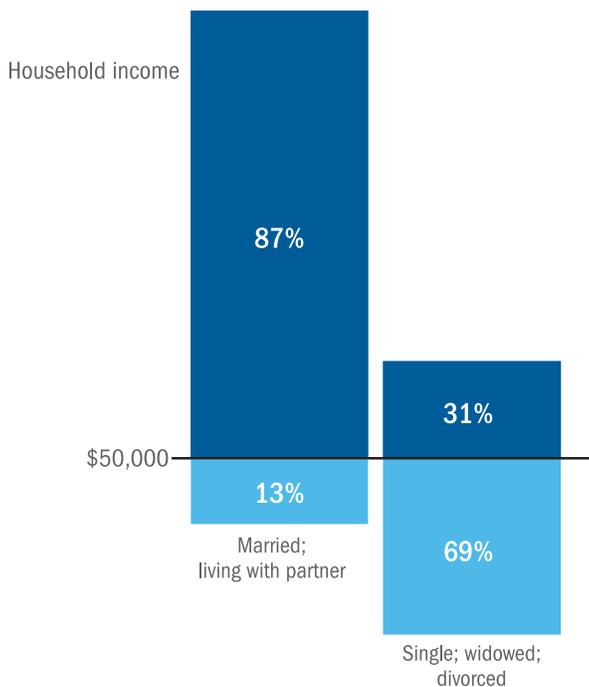
spouse or partner have household income of \$50,000 or more; 48% have household income of \$100,000 or more. (Figure 4; excludes respondents not reporting household income level.)

⁷ Survey respondents were asked, “How much were you paid per course, on average?”

⁸ The CAW and AFT studies indicated a similar dynamic. In the CAW study, 61% of part-time faculty reported household income of \$55,000 or more (2009). In the AFT survey, 75% reported household income of \$50,000 or more (2009). In both cases, these figures include “professors of practice.”

Figure 4. Marital status and household income

Adjuncts with a spouse or partner have higher household incomes.



Source: 2018 Adjunct Faculty Survey, TIAA Institute.

In addition, adjuncts receiving lower pay per course are more likely to be in households with lower household incomes. Among those averaging less than \$2,000 per course, 38% reported household income of less than \$50,000 and 30% reported \$100,000 or more. By comparison, among those averaging \$4,000 or more per course, 21% reported household income of less than \$50,000, while 44% reported \$100,000 or more.⁹

Forty-four percent of adjunct faculty reported working for pay in addition to their college or university employment (Appendix Table B2). The likelihood of such employment falls at older ages; the share working outside higher education decreased from 53% among adjuncts age 40-54 to 25% among those age 70 and older. The

percentage with outside employment dropped about 10 percentage points for those earning \$4,000 or more per course, as well as those with household incomes of \$100,000 or more, but there was no drop-off before those points.

Adjunct household finances

One-half of adjunct faculty are satisfied with their overall financial condition, while one-quarter are dissatisfied (Figure 5).¹⁰ Analogously, 56% report that it is easy to make ends meet in a typical month, while 16% say that it is difficult.¹¹ While incongruous with adjunct pay levels, these figures are not surprising given adjunct household income levels.

⁹ These calculations exclude those who did not report their household income.

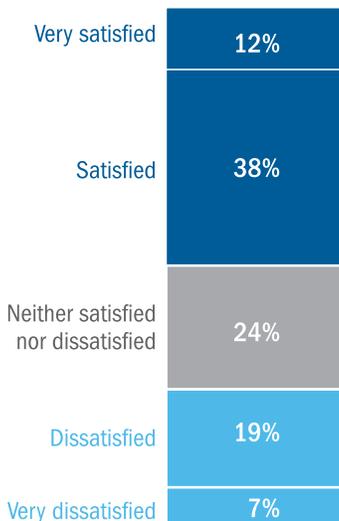
¹⁰ Survey respondents were asked, "Overall, thinking of your (household's) assets, debts and savings, are you satisfied or dissatisfied with your current financial condition?"

¹¹ Survey respondents were asked, "In a typical month, is it easy or difficult for you (and your spouse/partner) to make ends meet?"

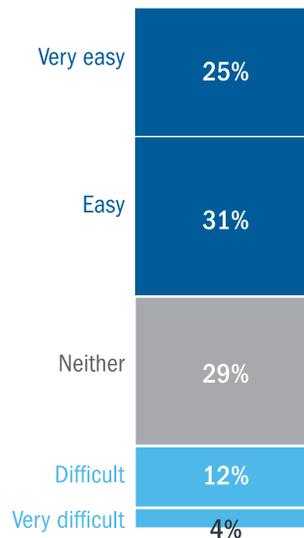
Figure 5. Personal finance experience

1/2 of adjuncts are satisfied with their financial condition; more than 1/2 find it easy to make ends meet.

Are you satisfied or dissatisfied with your financial condition?



Is it easy or difficult to make ends meet in a typical month?



Source: 2018 Adjunct Faculty Survey, TIAA Institute.

These figures are also consistent with household money management practices, as 49% of adjuncts report that they (and their spouse or partner) have a budget and that they typically track the things on which they spend money and the amount spent. At the same time, 23% report that they do not have a budget and that they do not typically track spending.¹²

Three-quarters of adjunct households are carrying debt (Figure 6).¹³ Twenty-five percent of adjuncts (and their spouse or partner) are carrying debt from three or more sources. The most common debt sources are credit cards and home mortgages. Car loans and student loans are held by approximately one-third of adjunct households. Not surprisingly, student loan debt is more common among younger adjuncts—48% of those under age 40 as opposed to 12% of those age 55 and older.

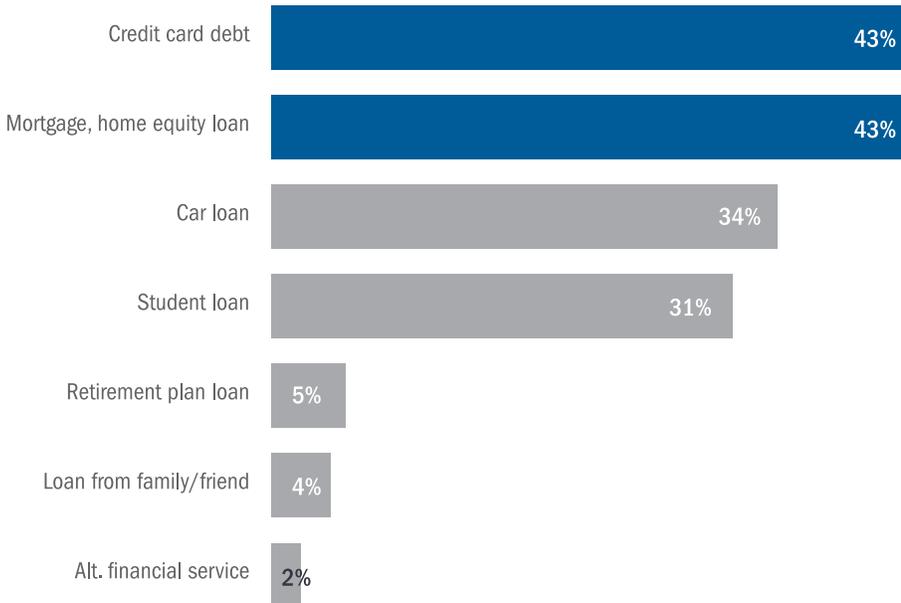
¹² Fifteen percent have a budget but do not typically track spending. Fourteen percent do not have a budget but typically track spending.

¹³ Survey respondents were asked whether they (and their spouse or partner) currently have any of the following types of debt: mortgage, second mortgage or home equity loan; car loan; student loan; credit card debt; personal loan from family or a friend; loan from a retirement savings plan; alternative financial service debt, like that from a pawn shop, payday loan, title loan or rent-to-own store.

Figure 6. Adjunct household debt

3/4 of adjunct households carry some form of debt.

% of adjunct households carrying debt from...



% of adjunct households carrying number of debt sources



Source: 2018 Adjunct Faculty Survey, TIAA Institute.

Almost 90% of adjuncts report that they (and their spouse or partner) are currently saving for one or more objectives (Figure 7).¹⁴ Almost 30% are saving for three or more. The most common reason for saving

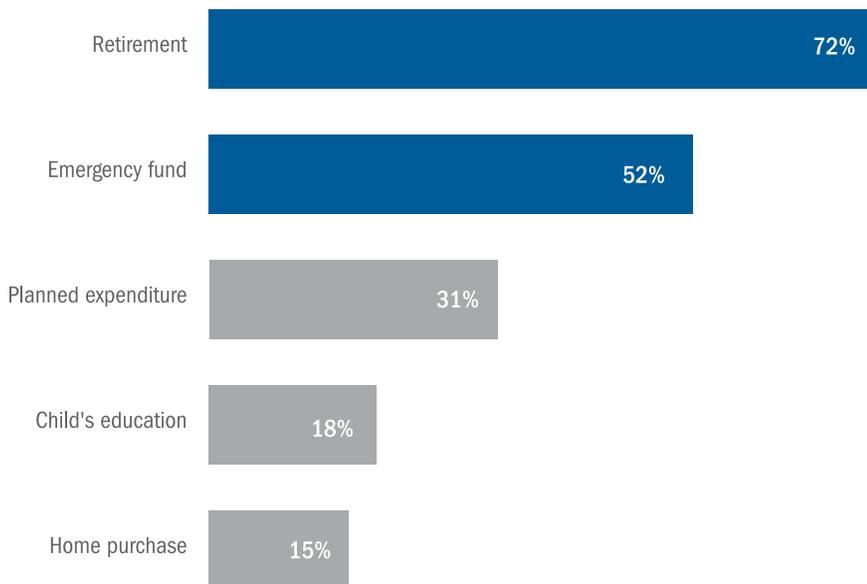
is retirement; two-thirds of adjuncts report that they are currently saving for reasons aside from retirement. Saving to build an emergency fund is the only non-retirement reason that more than 50% of adjuncts are saving.

¹⁴ Survey respondents were asked whether they (and their spouse or partner) were currently saving for the following reasons: retirement; a home purchase; a child's education; to build an emergency fund; a large expenditure planned within the next two years.

Figure 7. Adjunct household saving

Almost 90% of adjunct households are saving; 2/3 are saving for a non-retirement reason.

% of adjunct households saving for each objective



% of adjunct households saving for number of objectives



Source: 2018 Adjunct Faculty Survey, TIAA Institute.

Retirement saving

Almost two-thirds (64%) of adjunct faculty report that they personally saved for retirement in the past year (Figure 8). Furthermore, more than one-third (36%) contributed to a retirement plan offered by a college or university where they worked. So, more than one-half (56%) of adjuncts who saved for retirement in the past year contributed to a retirement plan offered by a college or university.

At the same time, 51% of adjunct faculty reported that a retirement savings plan was available to them at a college or university where they worked, 37% reported that a plan was not available and 12% were not sure whether a plan was available.^{15,16} This implies a participation rate among those offered a plan in the 55%-70% range.¹⁷

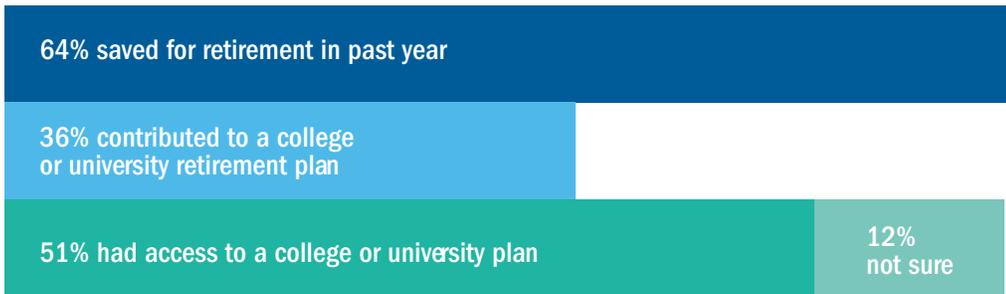
¹⁵ Survey respondents who did not report contributing to a retirement plan offered by a college or university where they worked were asked whether a retirement savings plan was available to them.

¹⁶ In the CAW study, 41% of part-time faculty reported having access to retirement benefits offered by their college or university. In the AFT survey, 39% reported that they have a retirement plan through their college or university.

¹⁷ If a plan was not in fact available to all respondents who were not sure whether a plan was available to them, then the participation rate is 71%. Alternatively, if a plan was in fact available to all respondents who were not sure, then the participation rate is 57%.

Figure 8. Adjunct retirement saving

2/3 of adjuncts saved for retirement in the past year, but many did not save in a college or university plan.



Source: 2018 Adjunct Faculty Survey, TIAA Institute.

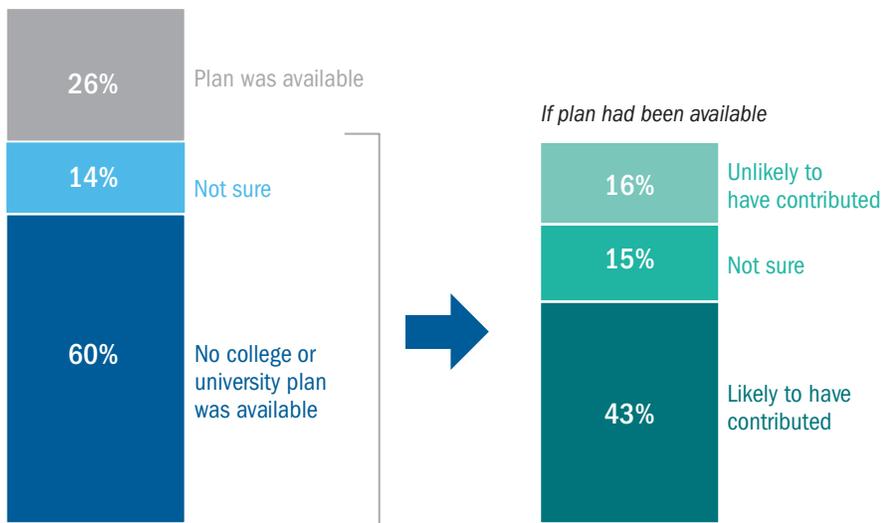
Among the one-third of adjunct faculty who did not personally save for retirement in the past year, 74% either had no plan available from a college or university or were not sure whether a plan was available (Figure 9).

The majority of these report that they likely would have contributed if a retirement savings plan had been available (or they had known that a plan was available).

Figure 9. Adjuncts not saving for retirement

40% or more of retirement non-savers may have contributed if plan had been available at their institution.

Did not save for retirement



Source: 2018 Adjunct Faculty Survey, TIAA Institute.

Not surprisingly, adjuncts with higher household incomes are more likely to have saved for retirement in the past year; 80% of those with household income of \$100,000 or more compared with 43% of those with household income under \$50,000. The same holds for older adjuncts. Those with higher household incomes are also more likely to have contributed to a college or university retirement plan (Appendix Table B3).

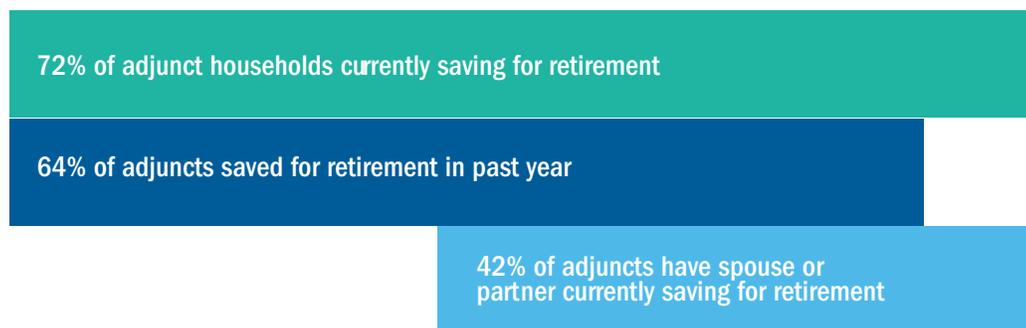
However, it is surprising that adjuncts with higher household incomes more often reported that a retirement savings plan was available to them at a college or university where they worked. The same phenomena occurred with age—older adjuncts more often reported access to a college or university retirement plan. There is

no reason to expect plan availability to be correlated with age or household income. This implies that subgroups of adjunct faculty—in particular, those who are younger and have lower household incomes—are likely unaware in some instances that a retirement savings plan is available to them.

The frequency of retirement savings is somewhat greater in a household context (Figure 10). While 42% of adjuncts have a spouse or partner who is currently saving for retirement,¹⁸ most of these saved themselves in the past year. On net, 72% of adjunct households are currently saving for retirement.

Figure 10. Household saving for retirement

More than 70% of adjunct households are saving for retirement.



Source: 2018 Adjunct Faculty Survey, TIAA Institute.

¹⁸ Sixty-eight percent of adjuncts are married or living with a partner. Among these, 62% have a spouse or partner that is currently saving for retirement. Thus, 42% of all adjuncts have a spouse or partner that is currently saving for retirement.

Focusing on adjunct faculty with a spouse or partner, 66% saved for retirement themselves in the past year, while 78% are in a household that is currently saving for retirement. (See Appendix Table B4 for data on household retirement saving by adjunct age and household income.)

Retirement confidence

One-third of adjunct faculty are very or extremely confident (23% and 10%, respectively) that they will have enough money to live comfortably throughout retirement, while 28% are not confident. The remaining 39% are somewhat confident. Not surprisingly, retirement income confidence is much higher among retirement savers.

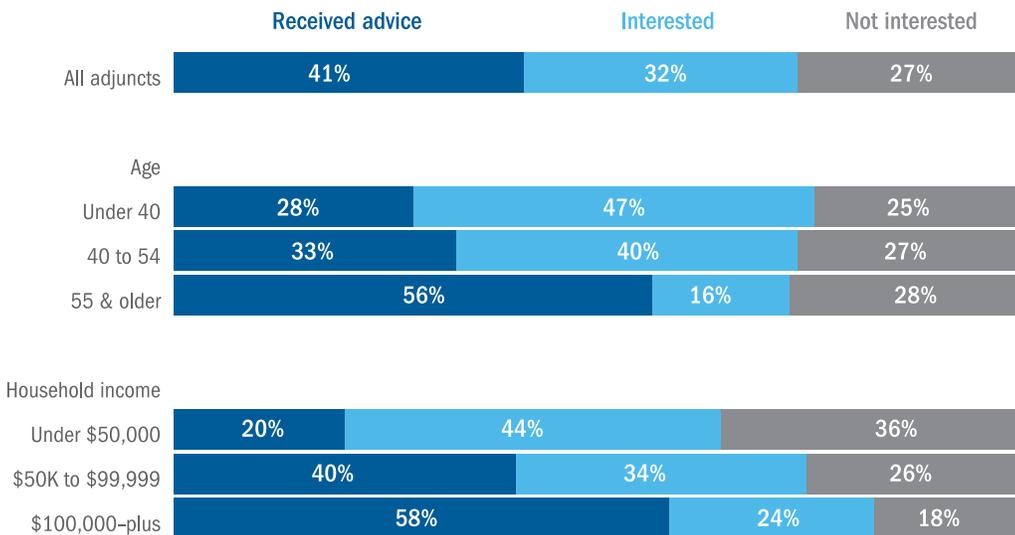
Among those in a household that is currently saving, 39% are very or extremely confident, while 21% are not confident. The analogous figures among those whose household is not saving are 18% and 48%, respectively.

Financial advice

Forty-one percent of adjunct faculty (and their spouse or partner) have received financial advice from a professional advisor within the past two years, and 32% are at least somewhat interested in doing so. At the same time, 27% have not received advice and are not interested (Figure 11).

Figure 11. Financial advice

Most adjunct households have recently received financial advice or are interested in doing so.



Source: 2018 Adjunct Faculty Survey, TIAA Institute.

Older adjuncts are more likely than younger adjuncts to have received financial advice. This is balanced by a larger percentage of younger adjuncts interested in receiving advice, such that three-quarters of each age group have either received advice or are interested in doing so.

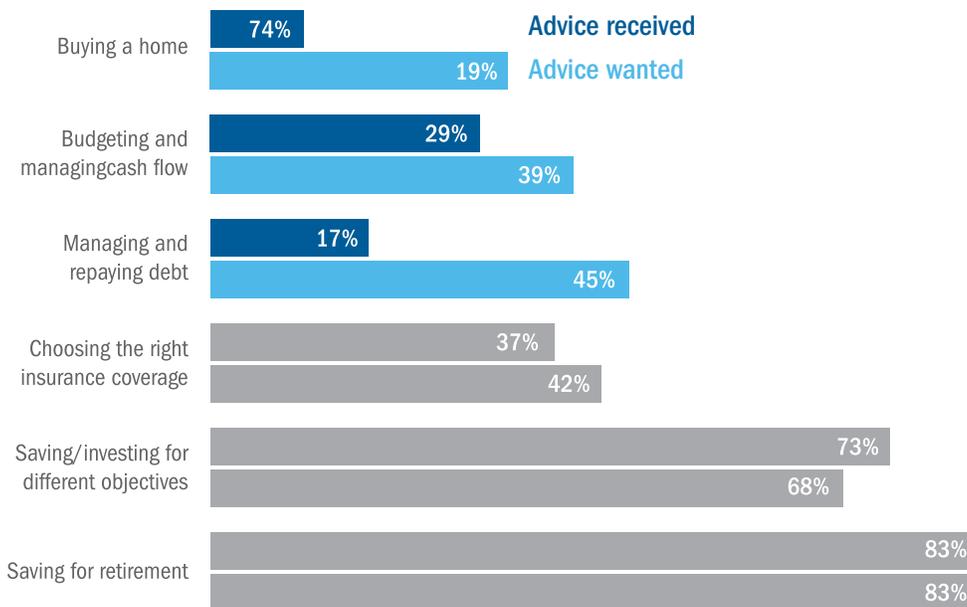
Analogous patterns in receipt and interest exist across income levels, but they do not balance out—the percentage of adjuncts that has received or is interested in receiving financial advice increases from 64% among

those with household income under \$50,000 to 82% among those with household income of \$100,000 or more.

Those who have recently received financial advice were asked about topics discussed with an advisor; those interested in advice were asked about topics they would like to discuss. Two things stand out in these responses (Figure 12).

Figure 12. Advice received, advice wanted

There is interest in topics not typically covered.



Source: 2018 Adjunct Faculty Survey, TIAA Institute.

First, topics on which individuals most frequently receive financial advice are topics that those interested in advice most often want to discuss. Furthermore, the percentages are essentially equal. In particular, 83% of those who have received advice discussed saving for retirement and 83% of those interested in receiving advice would like to discuss saving for retirement. Analogously, the differential on saving and investing for different objectives is only 5 percentage points.

Second, there is interest in topics that are not frequently covered in current conversations. Specifically, while buying a home was discussed by 10% of those who have received advice, 32% of those interested in advice would like to discuss it. Managing and repaying debt is another such topic; in this case, the differential is almost 30 percentage points. These differences likely reflect demographic differences between those who have and those who have not received advice, but they still highlight needs to be addressed in advisory relationships.

Conclusion

This report examines the household finances of adjunct faculty, including retirement savings, based on results from the 2018 Adjunct Faculty Survey. Adjunct faculty comprise approximately one-third of the academic work force in U.S. higher education. These are part-time nontenure-track faculty, not including those with career employment outside higher education or those retired from a tenured position.

One-half of adjunct faculty are satisfied with their overall financial condition, while one-quarter are dissatisfied. Analogously, 56% report that it is easy to make ends meet in a typical month, while 16% said that it is difficult. While incongruous with adjunct pay levels, these figures are not surprising given adjunct household income levels.

Adjunct faculty are paid an average of \$3,000 per course; almost 60% receive less than this. At the same time, 60% of adjunct households have incomes

of \$50,000 or more; 30% have household incomes of \$100,000 or more. Clearly, the majority of adjuncts are in households where adjunct earnings are not the primary income source. Adjunct household income is highly correlated with marital status. Two-thirds of single adjuncts report household income of less than \$50,000, while three-quarters of adjuncts who are married or living with a partner have household income of \$50,000 or more.

Almost two-thirds of adjunct faculty report that they personally saved for retirement in the past year and more than one-third contributed to a retirement plan offered by a college or university where they worked. Thus, more than one-half of those who saved did so through a retirement plan offered by a college or university.

Among adjunct faculty who did not personally save for retirement in the past year, three-quarters either had no plan available from a college or university or were unsure whether a plan was available. Most say that they likely would have contributed if a plan had been available (or they had known that a plan was available). Other findings corroborate that subgroups of adjunct faculty—in particular, those who are younger and have lower household incomes—are likely unaware in some instances that a retirement savings plan is available to them.

Forty-one percent of adjunct households have received financial advice from a professional advisor within the past two years, and one-third are at least somewhat interested in doing so. Topics on which individuals most frequently receive financial advice are topics that those interested in advice most often want to discuss, e.g., saving for retirement. In addition, there is interest in topics that are not frequently covered in current conversations, e.g., buying a home and managing debt. This likely reflects demographic differences between those who have and have not received advice, but it still highlights needs to be addressed in advisory relationships.

Appendix A

Survey methodology

Five-hundred and two adjunct faculty members were surveyed online from May 14 to June 8, 2018. Survey respondents were selected from members of the Research Now online research panel.¹⁹ Respondents represented all sectors of higher education. By design, the survey sample did not include professors of practice or retired tenured faculty. However, counts of these two groups were kept as respondents were screened during fielding. This enabled computing the compositional breakdown presented in Figure 1.

Ninety-three percent of survey respondents were employed at a college or university during the Spring 2018 semester; question wording referenced that semester as appropriate. The remainder worked at a college or university during the Fall 2017 semester;²⁰ question wording referred to that semester for these individuals. (Eighty-nine percent of respondents worked for a college or university during both semesters.)

Survey responses were weighted by age, gender and highest degree attained. A Coalition on the Academic Workforce (CAW) survey was used for age and degree weighting.²¹ Gender was weighted based on GAO analysis of 2015 IPEDS data.²²

¹⁹ Research Now maintains one of the survey research industry's most comprehensive and deeply profiled online survey panels. Panel members are recruited through a controlled mix of both online and offline methods, using "by-invitation-only" acquisition to avoid attracting professional survey takers.

²⁰ One respondent reported employment in the Winter 2017-2018 semester.

²¹ The CAW survey was conducted in 2010 with a sample of 9,238 part-time faculty. Seventy-three percent of respondents reported contingent teaching in higher education as their primary employment, implying that approximately one-quarter of the sample was professors of practice. See Coalition on the Academic Workforce, "A Portrait of Part-Time Faculty Members: A Summary of Findings on Part-Time Faculty Respondents to the Coalition on the Academic Workforce Survey of Contingent Faculty Members and Instructors," June 2012.

²² See U.S. Government Accountability Office, "Contingent Workforce: Size, Characteristics, Compensation, and Work Experiences of Adjunct and Other Non-Tenure-Track Faculty," *Report to Congressional Requesters* (October 2017).

Appendix B

Table B1. Age distribution of adjunct faculty

	All	Male	Female
Under 40	28%	23%	32%
40 to 54	32	29	34
55 to 69	34	38	31
70 and older	6	10	2
	100%	100%	100%
Mean	49.8	52.5	47.4
Median	51.0	53.0	47.0

Source: 2018 Adjunct Faculty Survey, TIAA Institute.

Table B2. Adjunct work for pay in addition to college or university employment

All adjunct faculty	44%
Age	
Under age 40	45%
Age 40 to 54	53
Age 55 to 69	38
Age 70 and older	25
Pay per course	
Less than \$2,000	45%
\$2,000 to \$2,999	47
\$3,000 to \$3,999	47
\$4,000 or more	38
Household income	
Less than \$50,000	46%
\$50,000 to \$99,999	47
\$100,000 or more	36
Gender	
Male	43%
Female	44

Source: 2018 Adjunct Faculty Survey, TIAA Institute.

Table B3. Retirement savings among adjunct faculty

	Saved in past year	Contributed to a college or university plan	A college or university retirement savings plan was available		
			Yes	No	Not sure
All adjuncts	64%	36%	51%	37%	12%
Household income					
Less than \$50,000	43	24	39	45	17
\$50,000 to \$99,999	66	37	52	40	7
\$100,000 or more	80	47	64	26	10
Age					
Under 40	49	29	43	41	16
40 to 54	69	43	50	39	11
55 or older	70	34	57	34	9

Source: 2018 Adjunct Faculty Survey, TIAA Institute.

Table B4. Retirement savings among adjunct faculty households

	Adjunct saved in past year	Adjunct spouse or partner currently saving	Adjunct household currently saving
All adjuncts	64%	42%	72%
Household income			
Less than \$50,000	43	7	45
\$50,000 to \$99,999	66	42	77
\$100,000 or more	80	72	90
Age			
Under 40	49	36	59
40 to 54	69	50	77
55 or older	70	39	77

Source: 2018 Adjunct Faculty Survey, TIAA Institute.

About the author

Paul Yakoboski is a senior economist with the TIAA Institute where he is responsible for research on lifetime financial security, including topics related to defined contribution plan design, financial literacy and capability, individual saving and investment decision-making, and asset management during retirement, as well as research on work force issues in the higher education and nonprofit sectors.

Prior to joining the TIAA Institute, Yakoboski held positions as Director, Policy Research for the American Council of Life Insurers, Senior Research Associate with the Employee Benefit Research Institute and Senior Economist with the U.S. Government Accountability Office. He previously served as Director of Research for the American Savings Education Council and was an adjunct instructor at Nazareth College.

Yakoboski serves on the board of the *Journal of Retirement*, the editorial advisory board of *Benefits Quarterly*, the research committee of the Insured Retirement Institute and the Society of Actuaries' Committee on Post-Retirement Needs and Risks. Yakoboski earned his Ph.D. and M.A. in economics from the University of Rochester and his B.S. in economics from Virginia Tech.