
Others Attending: Lauren Adamson, James Alm, Ron Colarusso, Bill Fritz, Charlene Hurt, Steven Kaminshine, Edgar Torbert

The minutes of February 9 were approved.

Dr. Henry reported no news on the FY2006 allocation from the Board of Regents. He pointed to April 20 as the date when the Board of Regents would make final decisions about allocations and tuition rates.

Dr. Henry indicated the university merit raise pool would be based on 2% of all salaries. He noted FACP had in the past directly allocated the 2% on unfilled positions as of April 1 for faculty promotions, compression/inversion, etc. He added FACP had also annually addressed the issue of adjusting the pay plan minima and maxima for staff titles.

Dr. Huss spoke for allowing the deans flexibility to use FACP pool dollars where the gaps were widest rather than prescribing dollars for promotions. Dr. Hudson noted there had been three successive years of small percentage raises so that promotion and compression were clearly linked, but suggested retaining the commonality across the university with the percentage based promotion raises. Dr. Henry added that the colleges had been allowed to match the promotion allocations last year from their non-raise pool dollars.

Dr. Kelley spoke in favor of the percentage distribution of the promotion dollars, but agreed with Dr. Huss regarding flexibility for the deans in how the dollars were used. Dr. Thachenkary observed that faculty salary data under review by the Senate Faculty Affairs Committee showed compression. He pointed out that promoted faculty tended to be at the high end of salaries already.

Dr. Tai commented that promotion was a major step for faculty, which he favored honoring with the promotion raise. Dr. Kaminshine observed that the issue of compression varied by college.

Mr. Rackliffe called attention to the fact that faculty promotions occur at the beginning of the academic year so that those raises can be effective on the first contract day in August and allow for zero percentage raises on January 1, which help to shape the expected bell curve of raises as presented by the university to the Board of Regents.

Mr. Rackliffe indicated that raises should be in the range of 0% to 5% with written explanations for any exceptions to the 5% cap.

Dr. Tai reminded that the colleges were not obligated to match the promotion raise dollars. Dr. Kelley asked about using existing dollars to address salary issues. Mr. Rackliffe stated that such funds could be used only to match the promotion raises, which could be justified to the Board of
Dr. Thachenkary called for a more comprehensive look at compression and inversion. Dr. Alberto spoke in favor of rewarding advancement in rank, but allowing the deans to use whatever FACP pool dollars remained to relieve compression or inversion.

Dr. Thackenkary asked if there was a technical reason for awarding promotion raises before January 1. Dr. Henry responded that the promotions and raises were part of the faculty contracts, which had August start dates.

Dr. Huss urged an equitable campuswide approach. Dr. Alberto asked about the sources of dollars for college matches. Dr. Huss answered that vacant faculty positions were used for this purpose.

Dr. Tai made a motion to follow the traditional faculty promotion raise pattern, except to increase the percentages and minimum amounts by 50% at each level of promotion. Dr. Alberto seconded the motion. The motion passed.

Dr. Henry invited suggestions for the remainder of the FACP pool dollars. Dr. Hudson suggested allocations toward reducing compression and inversion. Dr. Alberto asked about alternatives. Dr. Henry noted one possibility was to increase the raise pools to 2.x% (x to be determined) with discretion to deans and vice presidents as how to use. Dr. Colarusso pointed out that last year the extra raise pool dollars had been used to boost lower paid faculty.

Dr. Tai made a motion to adopt the 2.x% scheme. Dr. Hudson seconded the motion. The motion passed.

Dr. Huss asked if it was acceptable to take an amount off the top of the pool at the college level to address salary distribution issues. Dr. Henry indicated this was at the discretion of each dean and vice president so long as the salary administration guidelines were followed.

Mr. Rackliffe asked about the whole number percentage raise stipulation which was employed for FY2005 raises. Dr. Henry replied that this would not be the case for FY2006 raises.

Ms. Rupp commented that a number of staff were hired at pay plan minima, and urged increasing the minima and adjusting the maxima. Mr. Rackliffe stated that custodians, library staff, and police were the most common cases.

Dr. Kelley made a motion to raise the pay plan minima by 1% and the maxima by 5%. Dr. Huss seconded the motion. The motion passed.

Dr. Henry distributed “Cross subsidies calculation and analysis, March 2005” along with a spreadsheet “Annualized budget-Revenue generating departments, FY2005”. He explained that the expense figures were based on original budget figures rather than actual expenditures so that in many cases expenses were higher than shown. He also noted that the Board of Regents funding formula was out-of-date, but nevertheless the basis on which the University System was funded by the state, and hence used for this analysis. He pointed to 2.6 as the breakeven ratio of revenues to expenses at the departmental level, with 6 or 7 departments more than one standard
deviation above and 6 or 7 more than one standard deviation below. He emphasized that this was one of many ways to look at budgets, and was offered in that context.

Dr. Tai commented that the analysis was useful. Dr. Alberto asked about controlling for mix of ranks in departments. Dr. Henry responded that there was not an easy way to control for ranks, and that this would be a consideration as departments were identified for closer examination.

Dr. Huss asked about input costs in the funding formula. Mr. Rackliffe answered that there were five academic discipline categories of faculty costs, but that these were not realistic. Dr. Henry reiterated this was only one way to look at costs and that he preferred to take a look in a variety of ways and then ask questions from a strategic point of view. Dr. Huss cautioned that departmental ratios could be raised by doing dangerous things to programs.

Dr. Tai asked about the year for which credit hours were tallied in the analysis. Dr. Henry replied that he used the entirety of FY2004. Dr. Henry added that it appeared departments like Physical Therapy had high ratios in part because of the efficiencies associated with the lock-step nature of their programs. Dr. Huss commented that the percentage of courses at the 1000 and 2000 levels would also impact the ratios.

Dr. Henry suggested that in the absence of specific information about the allocation from the Board of Regents, FACP members submit new funding recommendations in $1M increments for FY2006.

Dr. Thachenkary asked about absorption of fringe benefit costs in the new funding allocation from the Board of Regents. Mr. Rackliffe responded that FICA, etc. would be covered, but health insurance costs were set at 25% borne by employees.

Prepared by Edgar Torbert
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