Faculty Financial Oversight Committee

Report on Faculty Senate Charge on Faculty vs. Administration Salary and Position Growth
[Originally due April 2023, extended to December 2023]

June 14, 2024

FFOC members: Elizabeth Emmert, BIOL, 23-26, At-Large (for CHHS)*
Michael McCarty (Co-Chair), HIST, 22-25, Fulton
Yaping Jing, COSC, 21-24, Henson
Timothy Dunn (Co-Chair), SOCI, 23-26, At-Large (for Library)*
Thomas Calo, MGMT, 22-25, Perdue
Douglas DeWitt, EDLD, 21-24, Seidel
Designated Senator: Danny Ervin
Non-voting members: David Emerson, ACCT, 22-25
Kwonchan Jeon, HLTH, 23-26

<u>**The Faculty Senate Charge to the FFOC:**</u>
   The issues the committee shall investigate are:
   •Whether **salary increases over the past 7 years have been equitable between faculty and administrative** positions
   •How the **increase in number of faculty and administrative positions compare over the past 10 years**, including the **proportionality of growth** between the two categorizations **and** (to the extent it can be reasonably determined) **why** the positions were added.

<u>**Executive Summary**</u>:

1. For the six years 2018-2023, *total faculty salary* spending increased **10.7%**, whereas total salary spending for the *66 top-level administration positions* increased **29.4%** (i.e., 3 times as much). Due to data limitations, we were only able to obtain reasonable complete data for the past six years (rather than seven as the senate charge requested), due to incomplete data for top administrative salary positions.
   o <u>Also, it is worth noting that top-level administrative total salary spending jumped an additional 20.2% from 2023 to 2024</u> – making for <u>55.3% for 2018-2024</u>. However, we lacked the 2024 data on total faculty salary spending, but it was undoubtedly significantly less - given that faculty received a 9% increase for 2024 (4.5% announced by Governor Hogan in November 2022 [in the fiscal year 2023] and another 4.5% in COLA and Merit for FY 2024) and the number of SU faulty PIN positions grew marginally if at all.
2. For the ten years of (fiscal year) 2014-2023, the *total number of faculty PIN* positions grew **1.5%**, whereas the *total number of "exempt"* positions (i.e., salaried [non-hourly wage], managerial, and professional) grew **31%** (i.e., 20 times as much). The committee used

"exempt" as a proxy for administration positions, broadly defined. **The reasons for this growth in "exempt" positions are unclear**, though it appears that approximately **35% of the "exempt growth" was due to the reclassification of some "non-exempt" [hourly wage] positions** to "exempt" due to new federal guidelines.
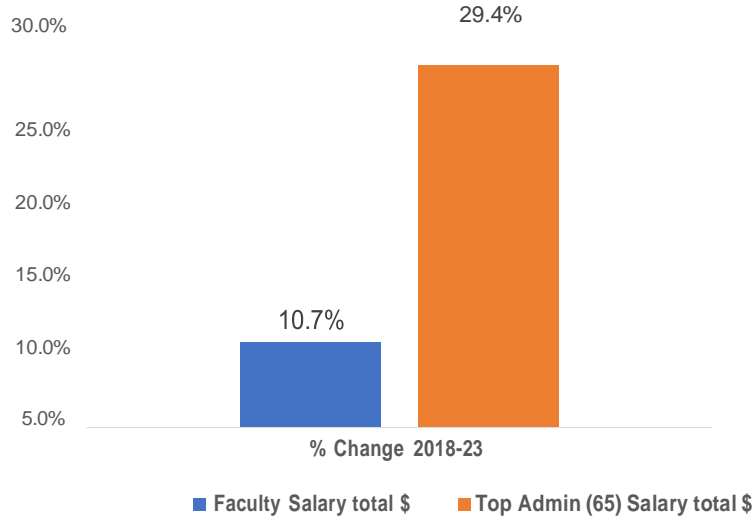
Recommendations:
1. These **divergent trends** in the **growth of administrative vs. faculty** total salary spending and PIN growth **merit a detailed explanation from the administration**.
2. **Related administrative and faculty salary and PIN data should also be requested and monitored on an annual basis** by the faculty senate to better monitor changes and more widely raise awareness.
3. **Request HR & VP of Finance to create a dashboard of this data** where all constituents can access and monitor the past, current, and future growth in both faculty and administrative positions and salaries.
4. **Equality in position request scrutiny/evaluation and justification, and mission-driven**: Any requests for new and replacement administrative positions should be as carefully scrutinized/evaluated and as thoroughly justified as are requests for new and replacement faculty positions and academic department staff (e.g., Academic Program Specialists). Information related to that scrutiny/evaluation of and justification for any new and replacement administrative positions should be shared with the faculty at least once per term.
   A. New and replacement administrative positions should be directly **tied to the overall mission of the university**, and especially the **recruitment, retention, and success of students**.
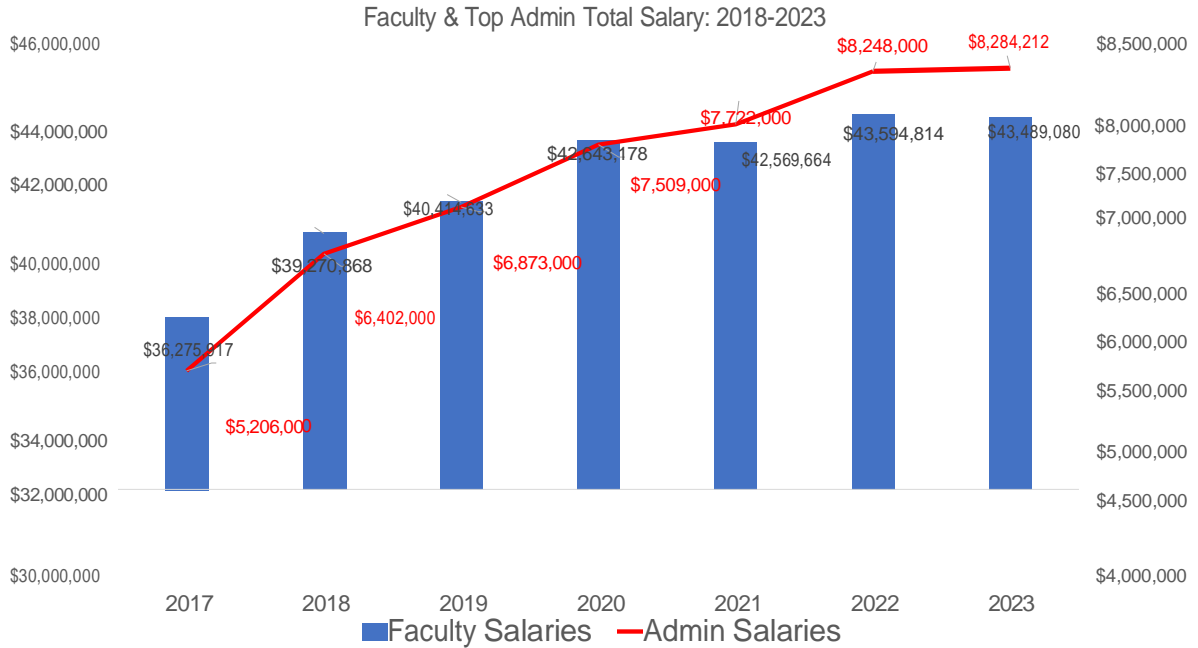
Data:

It is important to note that the **salary data represent total salary spending for both all faculty and the top-level (66) administrative positions**. **They do not represent changes in average salaries** for faculty or administrative positions. Total salary spending gives us an indication of how much total money was being devoted to the salary spending for each category (faculty & administration). It is a **statement of how university resources are being used**.
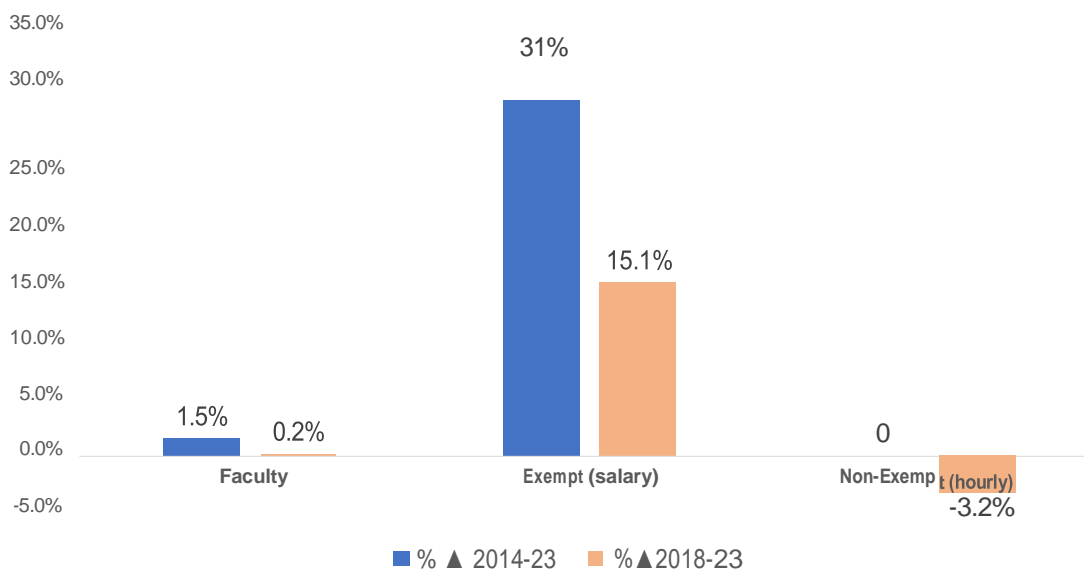
Faculty vs. Top Admin Total Salary $ change %, 2018 -23

29.4%

10.7%

% Change 2018-23

■ Faculty Salary total $ ■ Top Admin (65) Salary total $

Faculty & Top Admin Total Salary: 2018-2023

Faculty & Top Admin Total Salary: 2018-2023

$8,248,000 $8,284,212

$7,722,000

$42,543,178

$40,414,633 $7,509,000

$39,270,868

$6,873,000

$43,594,814 $43,489,080

$42,569,664

$6,402,000

$36,275,917

$5,206,000

2017   2018   2019   2020   2021   2022   2023

■ Faculty Salaries   — Admin Salaries

of PIN Posi2ons by Type Change % 2014-23 & 2018-23

Chart showing % change by position type. Values labeled: Faculty — 1.5% (2014-23), 0.2% (2018-23); Exempt (salary) — 31% (2014-23), 15.1% (2018-23); Non-Exempt (hourly) — 0 (2014-23), -3.2% (2018-23). Legend: ■ % ▲ 2014-23 ■ %▲2018-23

Background & Process:

This report has been delayed for over a year, mainly due to a lack of availability of relevant data until February 2024. For example, previous committee member Leonard Arvi (Economics and Finance), had requested this data several years ago from the administration (from the then-Vice President of Finance and Administration) but was never given full data. Please see the addendum attached (Emails from December 2021, interim report in March 2022 and email from November 2022). Current committee co-chairs Dunn and McCarthy requested faculty and administration salary data in December 2023 and met with the new Vice President for Finance and Administration, Aurora Edenhardt-Pepe, the same month. The Vice President was willing to try to quickly provide us with faculty salary data for the past seven years but was not certain that her staff could provide the top-level administration salary data on time - because they were quite busy preparing for the Maryland Assembly session starting in January. Consequently, in the interest of moving the process along and minimizing delays, Dunn and McCarthy agreed to seek the administration position salary data on their own from online open-source databases (and the SU salary book on reserve at the library) that compile data on Maryland public employee salaries. The online research was generously carried out by Leonard Arvi and his graduate assistant Ashley Mazer, with some additional work by Dunn.[1] Vice President Edenhardt-Pepe's staff provided

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[1] The open source data bases consulted for administration salaries were: https://www.openthebooks.com/maryland-state-employees/, https://govsalaries.com/state/MD, https://openpayrolls.com/state/maryland , and for 2023 and 2024 data we used the SU salary books on reserve at the SU library (as those data were not yet available on line). Leonard Arvi supervised his graduate assistant Ashley Mazer, who did nearly all of the research on SU administration salaries for 2017-2022. Dunn did some supplemental salary research and cross-checking data of the on-line open

faculty salary data in the format we requested (by faculty rank with total number of positions) in early February 2024.

Dunn and McCarthy operationalized "administration" for salary data purposes to be the upper levels of managers and decision makers, starting with the forty-seven listed on the SU Organization chart.[2] We then added approximately nineteen others, mainly department directors (e.g. IT, Financial Aid, Human Resources, etc.) and several other upper-level managers and associates. This left us with a total of sixty-six "administration positions" (sixty-five for the most part, as one was a special one-year position in 2024, though highly paid). Our rationale was that when faculty refer to the "administration" they typically mean the upper levels, not all managerial or salaried staff. We compiled the top-level administration salary data by mid-February. We did some preliminary analysis of the data which showed administrative PIN position and salary spending growth had far outpaced those for faculty. Due to the limitations of the online open-source salary data, we could get reasonably complete data for only six years rather than the seven years as requested by the Senate.

We operationalized "administrative position growth" more broadly to include all "exempt" PIN positions ["exempt" means they are exempt from overtime pay under federal labor law, meaning they are **salaried employees (not hourly wage) and generally managerial-level,** whereas "non-exempt" are not exempt from but rather covered by federal labor laws regarding hourly wages and overtime pay.] This **provides a broader view of the growth of non-faculty managerial and other professional positions**. Also, this data was readily available in the **SU 2023 Budget Report (page 35),** meaning we could avoid delays.

We presented a summary of our findings to Senate President Deneen Long-White in advance of the March 5, 2024, special Faculty Senate meeting on the budget with President Lepre and Vice-President Edenhardt-Pepe, who were made aware of our findings during the Q&A session and copies shared with them thereafter. **A week later, Vice President Edenhardt-Pepe provided something of a counter-argument to our analysis** at the regularly scheduled faculty senate meeting, some of which we present and reply to below after presenting our data.

Vice President Edenhardt-Pepe's counter-argument

Vice President Edenhardt-Pepe made several counter-points in response to our data at the Faculty Senate meeting on March 12, 2024, one week after becoming aware of our data at the Faculty Senate special budget meeting. [These were then included in the President's response on April 12, 2024 to the Report of the Faculty Senate Ad Hoc Committee on Faculty Concerns.]

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sources, and did research for 2023 (& 2024) admin. salaries (not yet available on line) using the SU salary book on reserve at the library.

[2] https://www.salisbury.edu/administration/university-analysis-reporting-and-assessment/_files/SU-Organizational-Chart.pdf

Several of her main points merit a response:

1. **The Vice President states**: "**Portions of the public salary data gathered is [sic] incorrect**" – i.e., our data on top-level administrator salary data obtained from online open sources.

   o **Reply 1**: **This is certainly quite possible**. Online open-source data are not without problems. Most notably, the Maryland state employee salary data is organized by employee name, not by organizational position. Thus, one can look at salary data for a person by name (e.g., John Smith), but not for a position (e.g., Salisbury University Provost). Consequently, we started our research using the names and positions from the fall 2023 SU organizations chart and directory. However, given the turnover and movement of individuals between and out of positions over time, it was quite challenging to keep track of who was in which position at which time, especially the further back in time we went. This required some institutional memory and frequent cross-checking with SU archived web data (some available via SU website searches). Thus, we undoubtedly missed some things and made some mistakes.

   ■ **The Vice President specifically pointed out several cases where mistakes were made** because people switched positions and salaries were very different as a result of the switch, not because the position salary itself had changed significantly. **Dunn cross-checked the examples she presented and checked a few others, and there were mistakes, but they did not change the overall growth trend much in top-level administrative salary spending** (just a few percentage points). Still, we certainly do need better data. Provided the correct data is given to us.

   o **Reply 2:** Ideally, we would not have had to rely on online opensource salary data but would instead have/had access to SU internal actual salary data for the top-level administrator positions. The latter was not readily available at the time of our request (winter 2022-23). However, we would very much like the actual salary data by top-level administrative position from 2017-2024 from the budget office of the Vice President of Finance and Administration. **Hopefully, such data will be accessible in summer 2024**.

2. **The Vice President presents data showing that "average salaries" for faculty and "exempt" positions were similar and grew at nearly identical levels from 2016-13, 2017-2023, and 2018-2023.**

2016		2023		2016 - 2023	
74,123	Avg Exempt Salary	95,872	Avg Exempt Salary	29.34%	% Increase to Exempt Salary
77,787	Avg Faculty Salary	98,652	Avg Faculty Salary	26.82%	% Increase to Faculty Salary
17,789,437	Total Filled Exempt Salaries	28,569,832	Total Filled Exempt Salaries		
29,948,153	Total Filled Faculty Salaries	38,770,173	Total Filled Faculty Salaries		

2017		2023		2017 - 2023	
75,426	Avg Exempt Salary	95,872	Avg Exempt Salary	27.11%	% Increase to Exempt Salary
78,325	Avg Faculty Salary	98,652	Avg Faculty Salary	25.95%	% Increase to Faculty Salary
18,781,037	Total Filled Exempt Salaries	28,569,832	Total Filled Exempt Salaries		
31,408,206	Total Filled Faculty Salaries	38,770,173	Total Filled Faculty Salaries		

2018		2023		2018 - 2023	
76,423	Avg Exempt Salary	95,872	Avg Exempt Salary	25.45%	% Increase to Exempt Salary
78,507	Avg Faculty Salary	98,652	Avg Faculty Salary	25.66%	% Increase to Faculty Salary
20,939,839	Total Filled Exempt Salaries	28,569,832	Total Filled Exempt Salaries		
31,245,982	Total Filled Faculty Salaries	38,770,173	Total Filled Faculty Salaries		

- o **Reply 1: <u>Our analysis did not focus on average salaries, but rather on total salary spending faculty vs. top level-administrators</u>. <u>Total salary spending gives a better picture of how the university is using its resources</u> and at what rate in each category**. A **<u>focus on average salaries, while important, obscures the growth in "exempt" PIN positions and the stagnation of faculty PIN positions</u>**. – something total salary spending makes more clear. Also, for salary trends, we operationalized "administration" to mean top-level administrators, not all "exempt" (i.e., salaried) positions, most of which are middle and lower-level managerial and professional staff.

- o **Reply 2: However, <u>even if we use the Vice President's "exempt" vs. faculty total salary categories</u>, <u>total "exempt "salary spending outpaced total faculty spending by 1.5-2.0 times</u>:**

2016		2023		Growth	2016-2023
17,789,437	Total exempt salaries	28,569,832	Total exempt salaries	**60.6 %**	% increase in exempt salary
29,948,153	Total faculty salaries	38,770,173	Total faculty salaries	**29.5 %**	% increase in faculty salary

- o **<u>2016-2023</u>-** Exempt salary spending grew <u>60.6 % vs. 29.5%</u> growth in Faculty salary spending (using data above for "Total Filled Exempt Salaries" and "Total Filled Faculty Salaries."

- o **<u>2017-2023</u> -** Exempt salary spending grew <u>52.12 % vs. 23. 44%</u> growth in Faculty salary spending.

2017		2023		Growth	2016-2023
18,781,037	Total exempt salaries	28,569,832	Total exempt salaries	**52.12 %**	% increase in exempt salary
31,408,206	Total faculty salaries	38,770,173	Total faculty salaries	**23.44 %**	% increase in faculty salary

o **2018-2023 -** Exempt salary spending grew <u>36.44 % vs. 24.08%</u> growth in Faculty salary spending.

2017		2023		Growth	2016-2023
18,781,037	Total exempt salaries	28,569,832	Total exempt salaries	**52.12 %**	% increase in exempt salary
31,408,206	Total faculty salaries	38,770,173	Total faculty salaries	**23.44 %**	% increase in faculty salary

3. The Vice President uses 2013 as the starting point for faculty calculating PIN line growth, which makes it seem notably larger than does starting in 2014 (24 positions as opposed to 7). The ten-year period is 2014-2023, and 2013 has a much lower level for faculty PINS (379, according to the Vice President's reply) than 2014 (397). Consequently, using 2013 as a starting point shows a larger growth (6.3%) in faculty PIN lines by 2023 ~~(403-379 / 379=6.3%)~~ than does starting with 2014 (1.5%) ~~(403-397 / 397=1.5%)~~.

Faculty PIN line growth			
2013	2023	Total increase	% Growth
379	403	24	6.3 %

Faculty PIN line growth			
2014	2023	Total increase	Growth
397	403	7	1.5 %

4. **The Vice President states that over the <u>past 10 years, we have added 105 "exempt" positions</u> – i.e., <u>4 - 15 times as many as new faculty PIN additions (24 or 7</u>, depending on whether one uses 2013 or 2014 as the starting point). However, it would be reasonable to categorize only 66 of those as new exempt PIN lines – or <u>2.75 to 9.4 times as many as new faculty PIN line</u>s**.
   o The Vice president explains that 55 of the 110 new exempt positions were new exempt PIN positions, while 50 were converted from either faculty (11) or non-exempt [hourly] (39). We would like to see the detailed data on these conversions. The non-exempt conversions were done due to changes in federal guidelines for defining exempt positions, and thus beyond SU's control. However, in our view, the faculty conversions should also qualify as new PINS, because they signal a shift of people from faculty to administration (or admin.-heavy) roles. This leaves 66 new exempt PIN lines.

Conclusion

Based on the data available thus far, **total salary spending and PIN line growth for administrative positions have far outpaced that for faculty in the past six and ten years, respectively – approximately 3:1 in salary spending growth and 20:1 in PIN growth**. We **certainly need better and more complete data**, particularly actual SU salary data for top-level

administrative positions from 2017-2024 (rather than online open-source state employee data) as well as faculty salary data for 2024. The Vice president of Finance and Administration has made a good first step in providing a great deal more data and much more quickly (2-month turn around) for faculty salaries from 2018-2023 as well as providing other budget data later in the spring term. This is a major improvement over past years when committee members' requests for similar data languished for ~~months and~~ years. We look forward to receiving data on total salary spending on top-level administrators for 2017-2024 and 2024 total faculty total salary spending as well.

Better data will enable us to more accurately determine the gap between faulty vs. administrative PIN and salary spending growth. However, based on the data we have at present there is a **significant gap heavily in favor of administrative growth versus faculty stagnation**.

Recommendations:
1. These **diverging trends in the growth of administrative vs. faculty** total salary spending and PIN growth **merit a detailed explanation from the administration**.
2. **Related administrative and faculty salary and PIN data should also be requested and monitored on an annual basis** by the faculty senate to better monitor changes and more widely raise awareness.
3. **Request HR & VP of Finance to create a dashboard of this data** where all constituents can access and monitor the past, current, and future growth in both faculty and administrative positions and salaries.
4. **Equality in position request scrutiny/evaluation and justification, and mission-driven**: Any requests for new and replacement administrative positions should be as carefully scrutinized/evaluated and as thoroughly justified as are requests for new and replacement faculty positions and academic department staff (e.g., Academic Program Specialists). Information related to that scrutiny/evaluation of and justification for any new and replacement administrative positions should be shared with the faculty at least once per term.
   A. New and replacement administrative positions should be directly **tied to the overall mission of the university**, and especially the **recruitment, retention, and success of students**.