May 21, 2008

To: Sergio Lopez-Permouth, Chair, Faculty Senate
From: Kathy A. Krendl, Executive Vice President and Provost

Re: Resolution on Faculty Compensation Initiative

Last year the Faculty Compensation Task Force, which consisted of representatives from faculty, chairs/directors, and deans, worked diligently to develop a plan for realizing the Vision Ohio goal to increase the competitiveness of faculty compensation at Ohio University over a specified period of time. The specific goal was to assure effective faculty recruitment and retention at Ohio University by moving faculty compensation to the next quartile among our peer institutions. The recommendation that emerged from the task force was based on careful research and analysis with considerable input from all representatives. The task force proposed what they considered to be the best solution to meet the stated goal and to adopt a five-year plan to meet it.

The first allocation of $1.2 million in additional faculty compensation last year followed the task force guidelines. Funding was allocated according to a formula developed by the task force; each college allocated funds according to a distribution plan approved by the Executive Vice President and Provost.

The feedback from the deans as well as from the chairs and directors regarding the results of the allocation process used in the first year was very positive. According to both deans and chairs and directors, the first round of additional faculty compensation laid a strong foundation for meeting the strategic goal of improving faculty compensation for those who were consistently making valuable contributions across the missions of the institution. It also allowed us to retain some outstanding faculty in competitive fields.

In addition, the competitiveness of Ohio University's faculty compensation compared to other institutions in the state of Ohio improved significantly after only one year of the additional faculty compensation allocation.

- For full professors, Ohio University was ranked seventh among state institutions last year and moved to sixth place this year, just $148 behind fifth place Cleveland State.
- For associate professors, Ohio University was ranked fifth last year. This year we moved up to third place, $1,953 behind second place Miami.
• For assistant professors, Ohio University was ranked seventh last year. This year we moved up to fifth place, $1,531 behind fourth place Wright State.
• For all ranks combined, last year Ohio University was ranked fourth. This year we are still in fourth place, but we are just $570 behind third place Miami.
• Similar upward movement occurred for total compensation: professors, seventh to fifth place; associate professors, fifth to third place; assistant professors, sixth to fourth place; and all ranks combined, fifth to fourth place.

In preparation for the second round of funding allocations for FY 2009, I reviewed with the deans and chairs/directors the original recommendations of the task force. Both groups supported using the same general approach used in the first year because the plan appeared to be meeting institutional goals.

Though the Faculty Senate has endorsed its own formula for determining the aggregate amount of funding to be distributed to each college, I have chosen to follow the original recommendation of the Faculty Compensation Task Force. The task force, which brought together Faculty Senate representatives, chairs/directors, and deans, was an exemplary exercise in shared governance.

I appreciate Faculty Senate’s support for this important initiative to improve Ohio University’s total faculty compensation and the thought that the Finance and Facilities Committee gave this process. However, we have a standing recommendation from a representative body that appears to be working to meet institutional goals.