

Budget 1010: Administrative and Staffing History

Budget Study Group

Session 3

July 30,2020

The Data Set

- These analyses are based on the Nov 1st snapshot from the HR system. The actual number of employees will vary throughout the year.
- Comparisons and trends can only go back to 2001 when Oracle was implemented
- Any employees with less than a 1.0 FTE are not included
- The data set groups employees into three categories: faculty, classified (hourly), and everyone else is considered administrative.
- Plotting comparisons of the numbers of employees across years is also sensitive to the years being compared.
- Comparisons at the planning unit levels, in particular, can be skewed through reorganizations and reclassifications.
- There is no information for the source of funds used to support the position.
- Positions funded on grants, endowment or other external sources do not have a direct impact on the operating budget

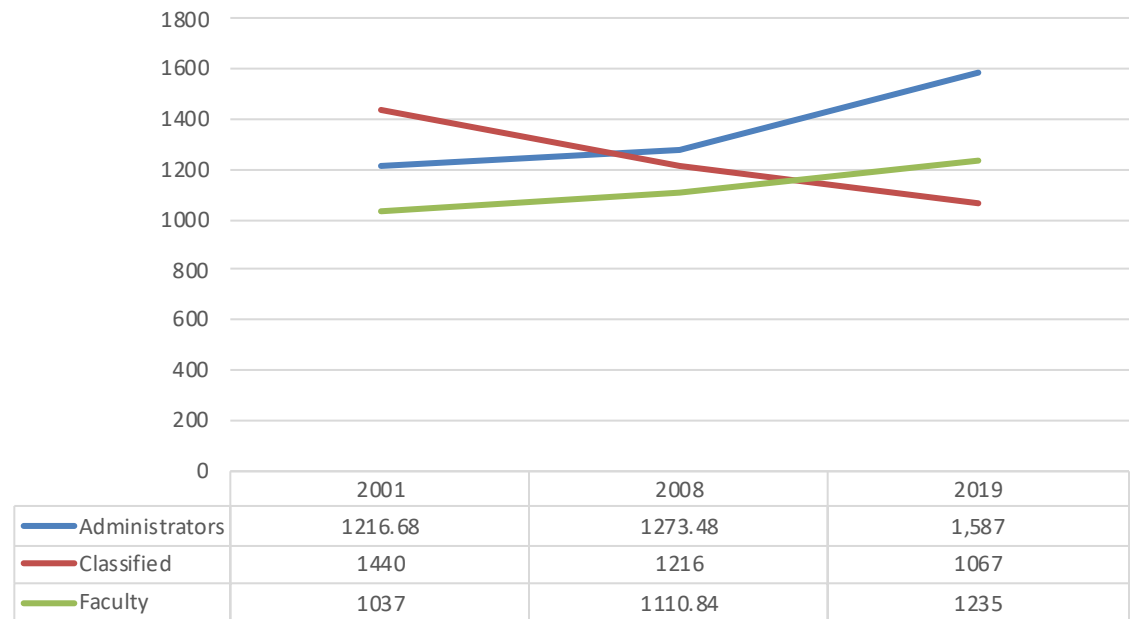
Macro-Trend – Last 19 Years

Using data from 2001, 2008 and 2019, the trends from the three major employee groups – faculty, classified staff and administrative staff across the entire university – Athens, HCOM and RHE.

Faculty (+198)
Administrative (+296)
Classified (-373)

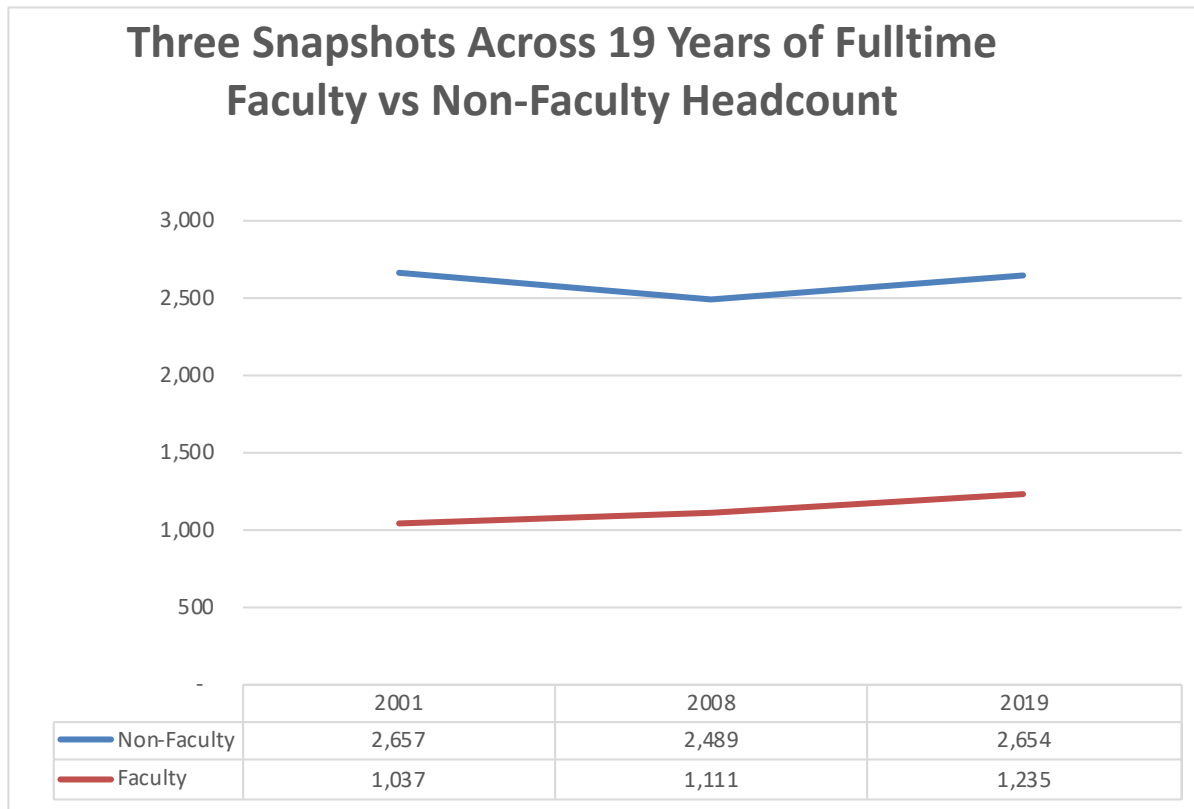
This suggests a switch from hourly positions (classified) to salaried (administrators).

Three Snapshots Across 19 Years of Fulltime Faculty, Administrator and Classified Headcount



Macro-Trend – Last 19 Years

If you collapse the classified and administrative categories, the resulting graph below shows an increase in faculty (still +198) and a slight decrease in non-faculty (-3) positions

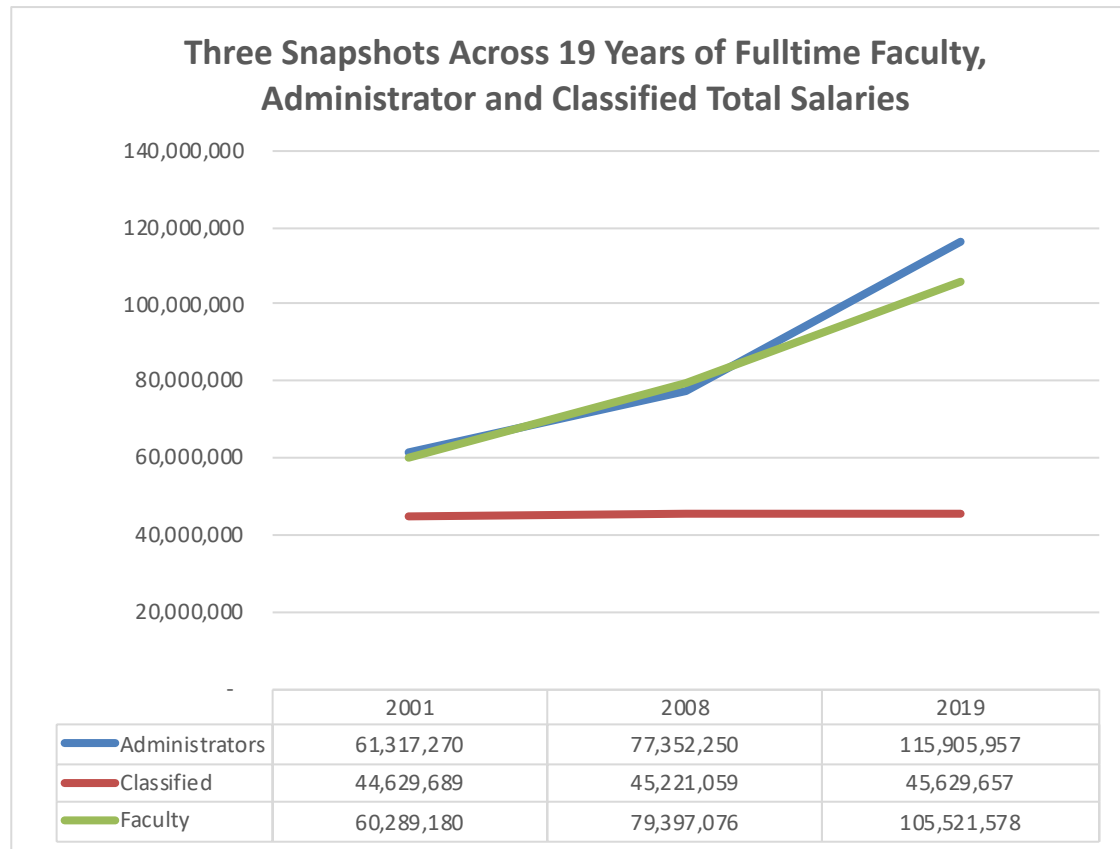


Macro-Trend – Last 19 Years

Headcount does not capture changes in budget allocated over time so an additional comparison would be to look at the dollars spent in salaries for each group at these three points in time.

Amount for non-faculty salaries tracks almost exactly with the amount for faculty salaries in 2001 and 2008.

In 2019 the administrative category increases but the amount spent in classified salaries is basically flat reflecting a shift of budget from classified to administrative as well



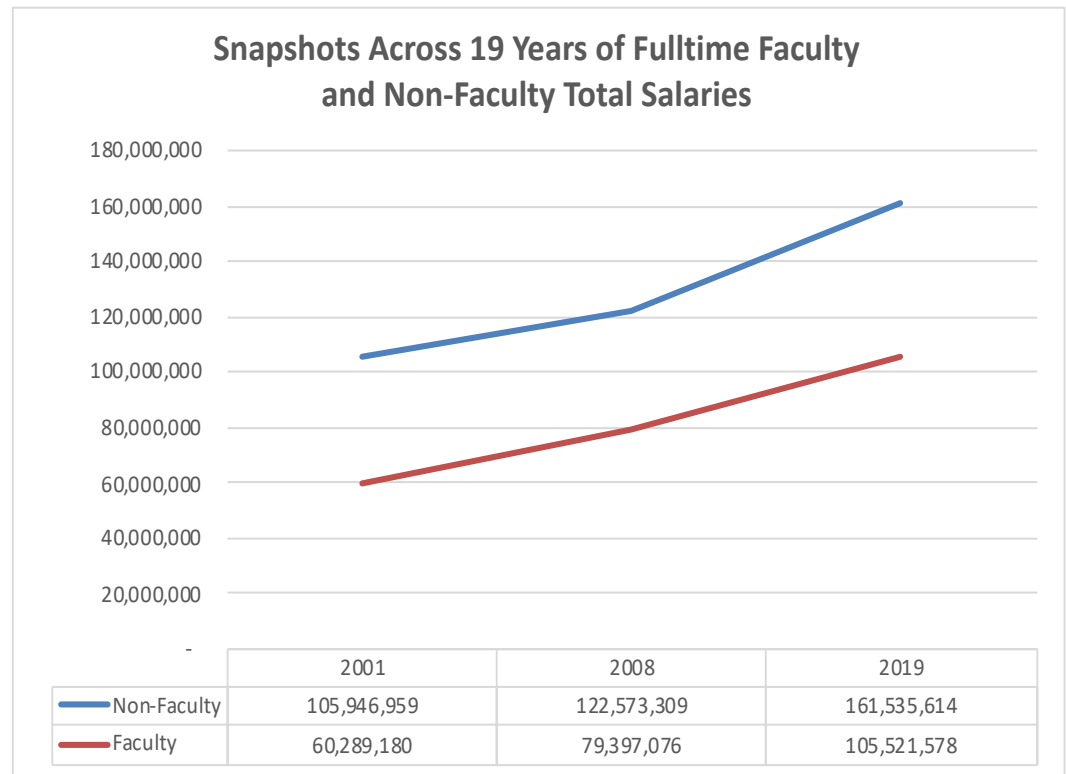
Macro-Trend – Last 19 Years

Here we combine the administrative and classified staff to compare the amount spent on non-faculty vs faculty.

The total spent for non-faculty is reduced much more during the recession.

The change in total faculty salaries over the 19 years is 75% and for non-faculty the change is 52%.

This indicates that as the conversion was made from classified to administrative positions, lower paid classified employees were not replaced by high paid administrators.

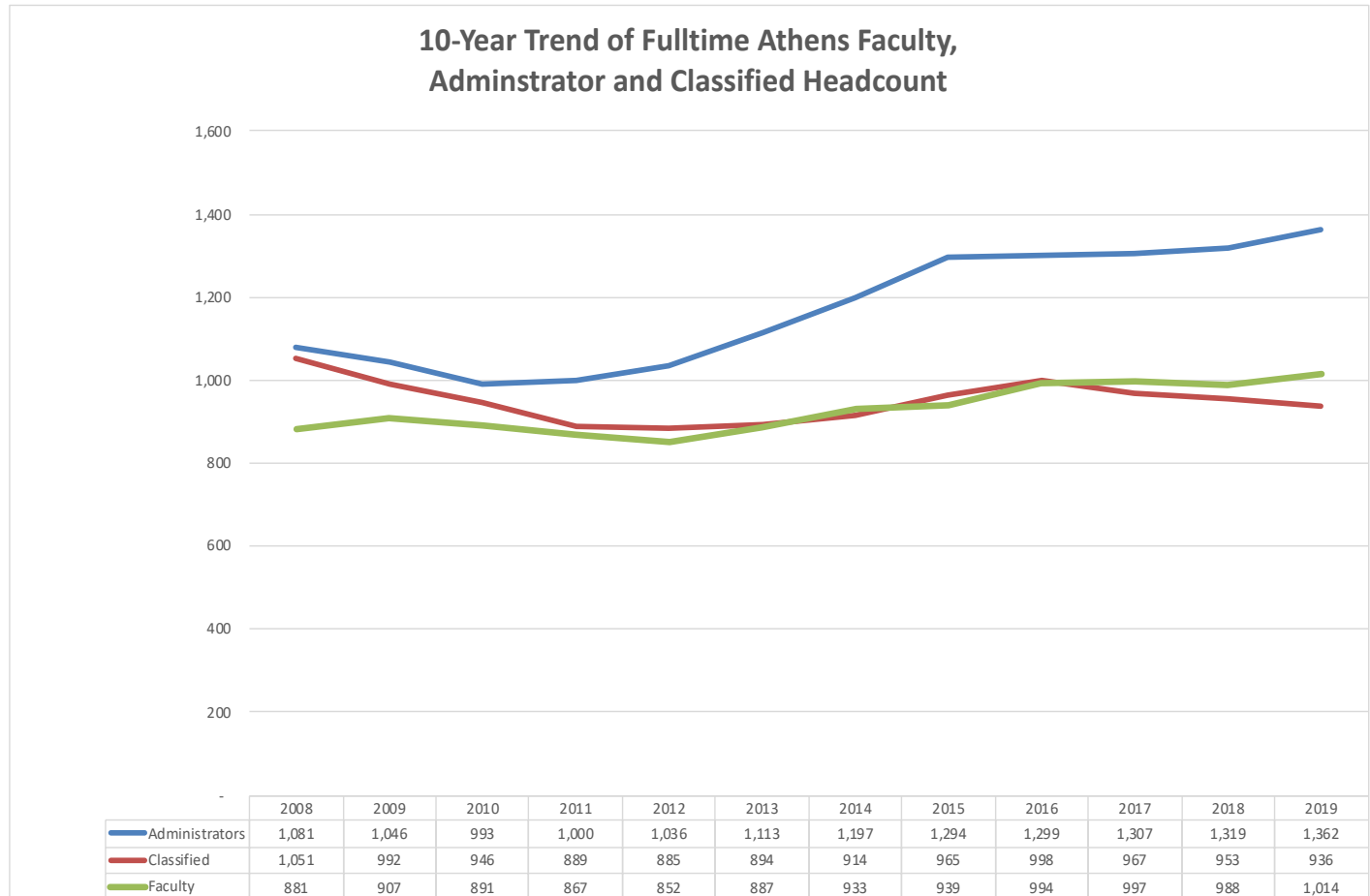


10-Year Trends – Athens Only

This graph focuses on the period since the 2008 recession and excludes HCOM and RHE personnel who are in units experiencing different and opposite enrollment pressures and mask the effects on the main Athens budget.

Over the last decade, faculty increased 133.

Administrative positions increased 281 and classified positions declined 115.

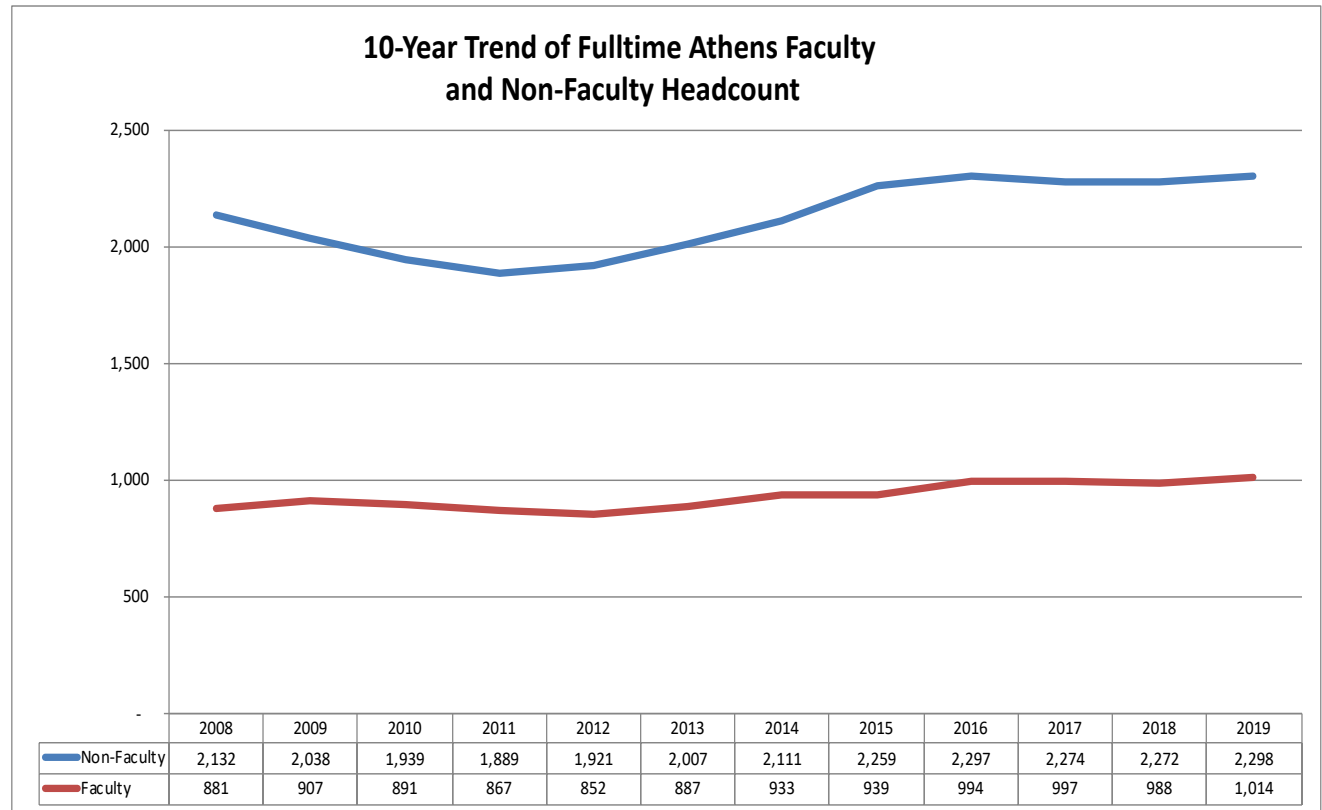


10-Year Trends – Athens Only

Combining administrative and classified positions to get an overall trend in non-faculty versus faculty positions is shown below.

Faculty on the Athens main campus have grown 133 (15.1%) over the past decade

Non-faculty positions have grown 166 (7.8%).

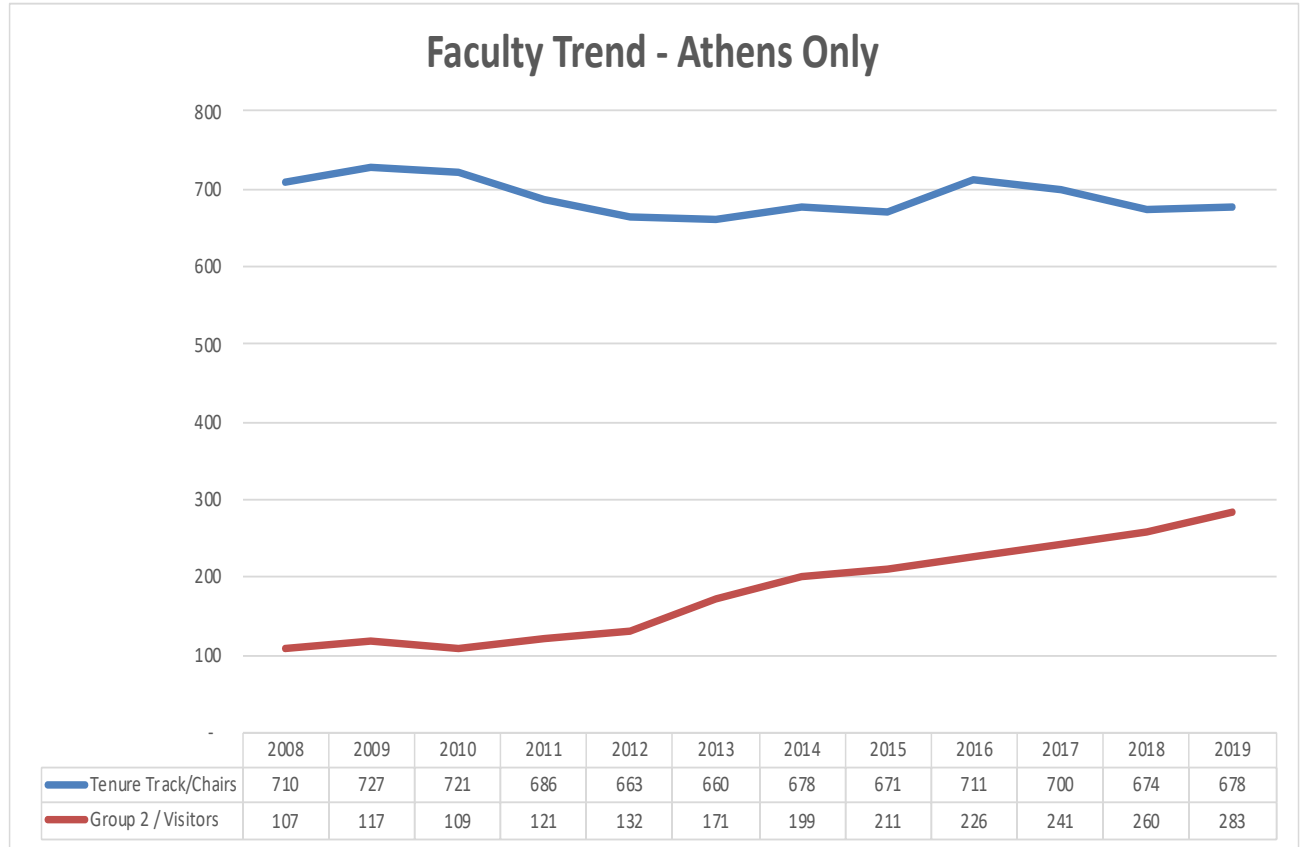


10-Year Trends – Athens Faculty

Athens tenure-track faculty have declined by 36 while non-tenure track faculty have increased by 153.

The percentage of tenure-track faculty has gone from a high of 87% in 2008 and 2010 to the current 71%.

This follows a national trend where about 60% of full-time faculty are tenure track in R2 institutions and less than 50% across all institutions.



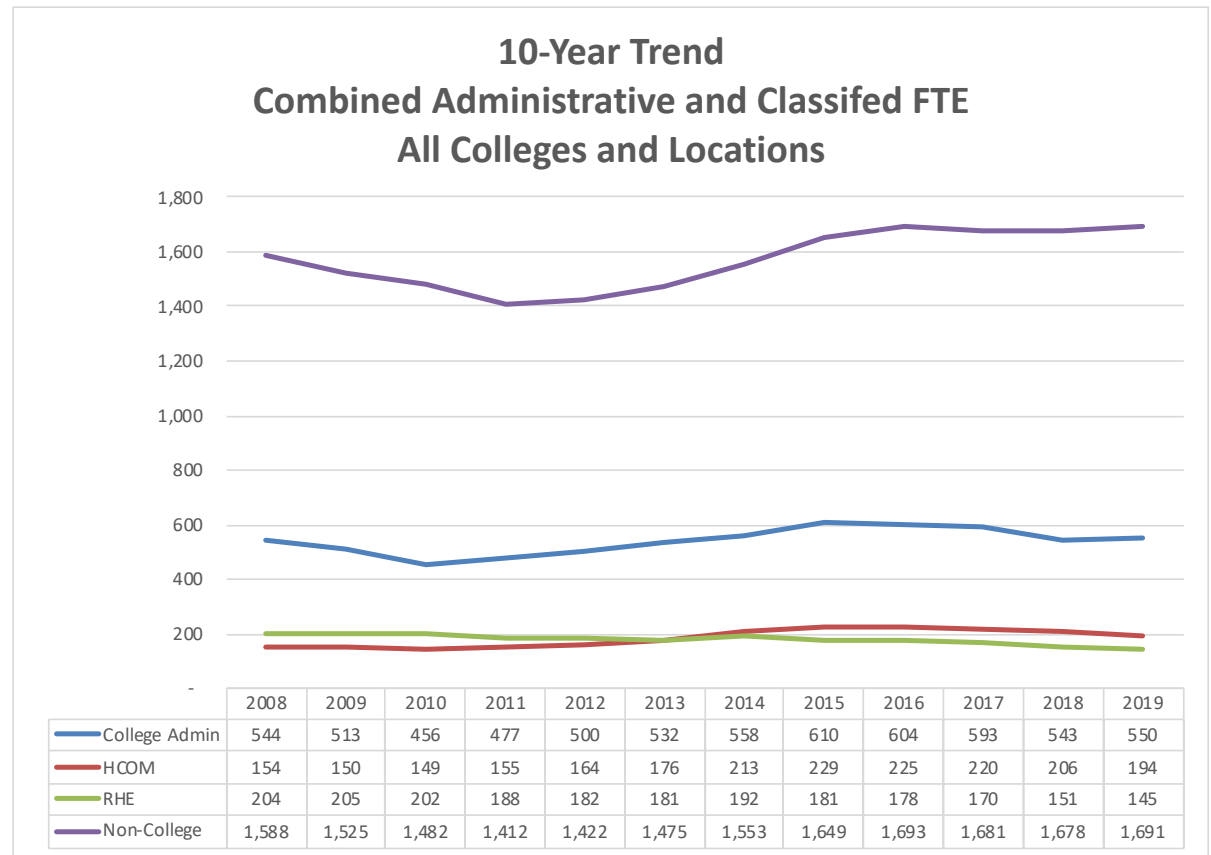
10-Year Trends – Non-Faculty

As noted earlier, changes in administrative headcounts are offset by decreases in classified headcounts. Here is how these shifts have occurred across the four areas.

Trends for RHE (-59) and HCOM (+40) match their differing circumstances

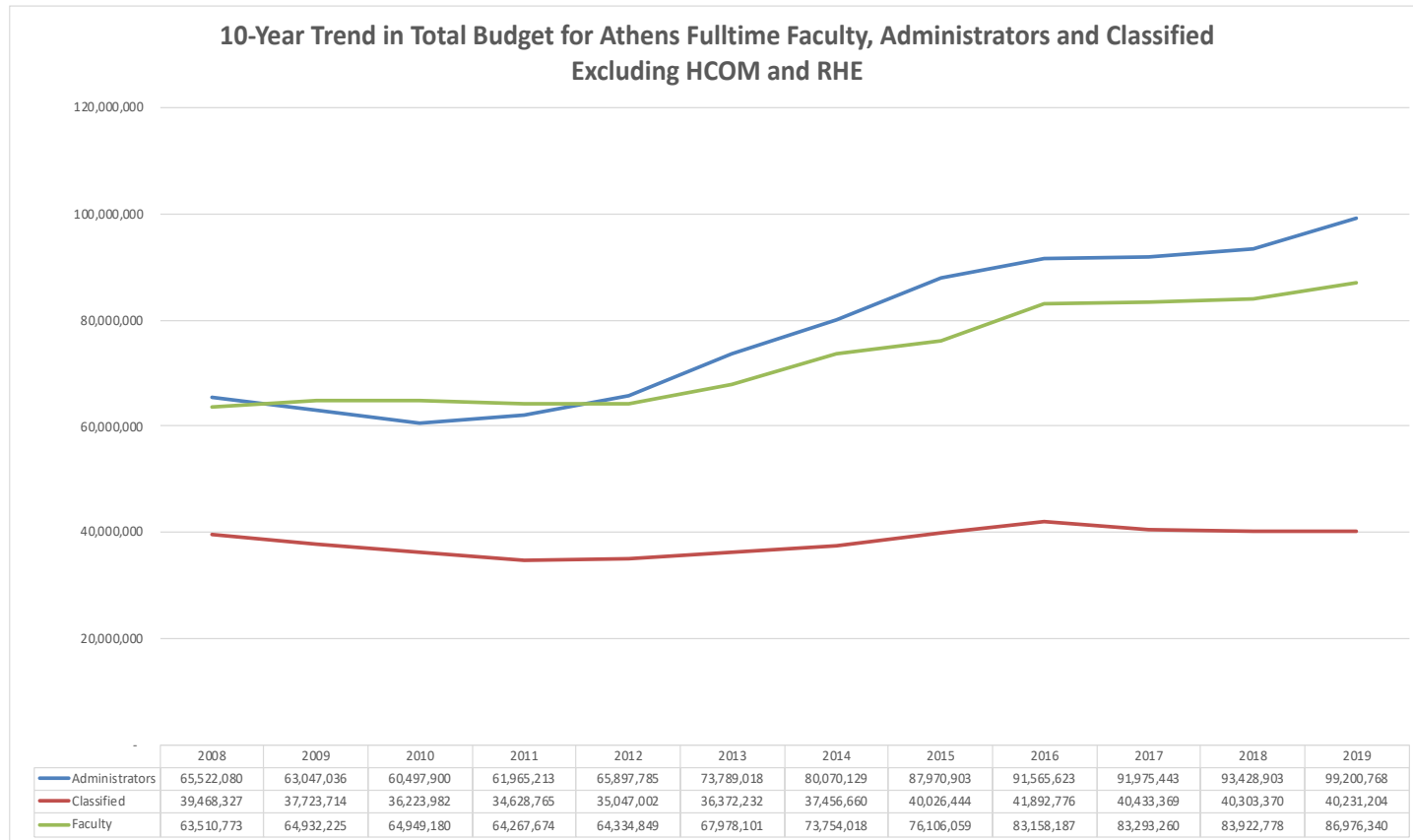
Positions in colleges have come back down to near 2008 levels (+6)

Non-college positions declined most during the recession (-176), grew back to that level by 2015 and have since peaked and plateaued for an overall change of +103 which is similar to the +133 for faculty.



10-Year Trends – Athens Salaries

Excluding HCOM and RHE, faculty salaries on the Athens main campus were 38% of the total in 2008, grew to 40% and remain 38% in 2019.

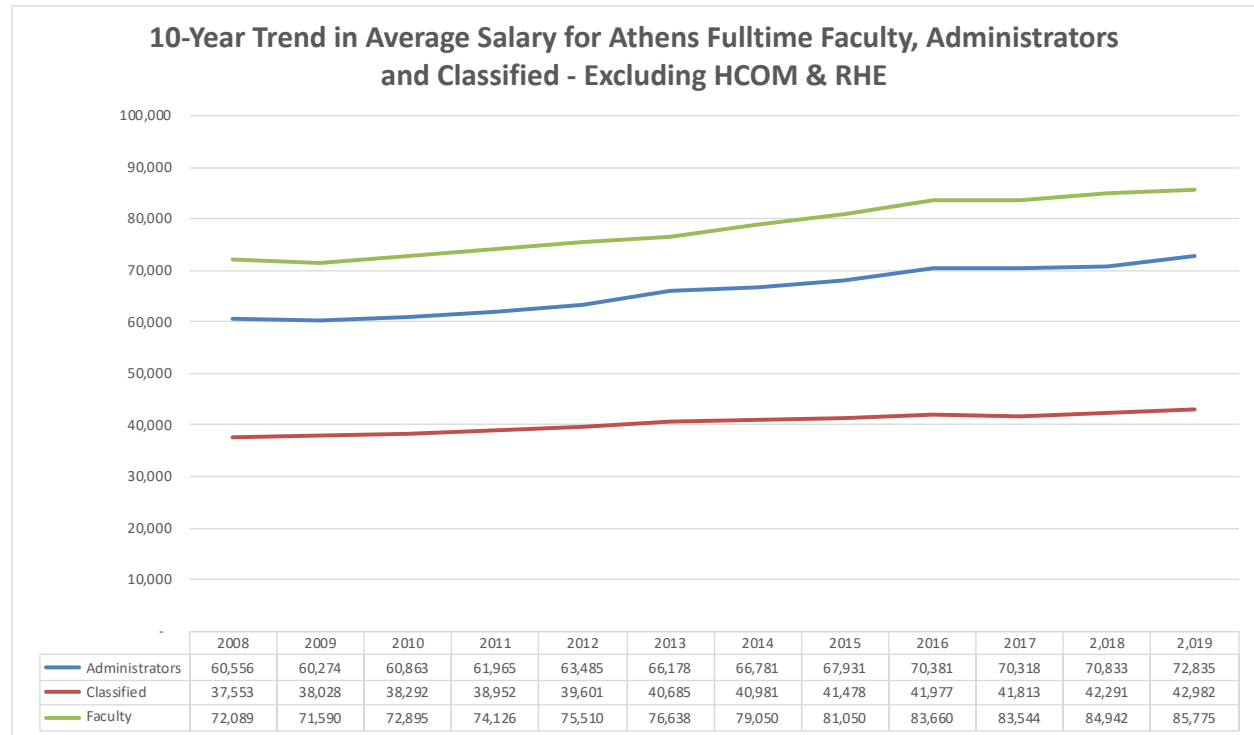


The blue line for administrators shifts from below the faculty line to above as a result of the switch from classified positions which did not grow during this period

10-Year Trends – Average Salaries

Another way to evaluate whether there have been shifts towards high paid administrators would be to see if there are shifts in average salary levels for the three job categories. For example, if we been replacing lower paid administrators with higher paid administrators over time, the average salary for administrators should be climbing more quickly than the average for faculty.

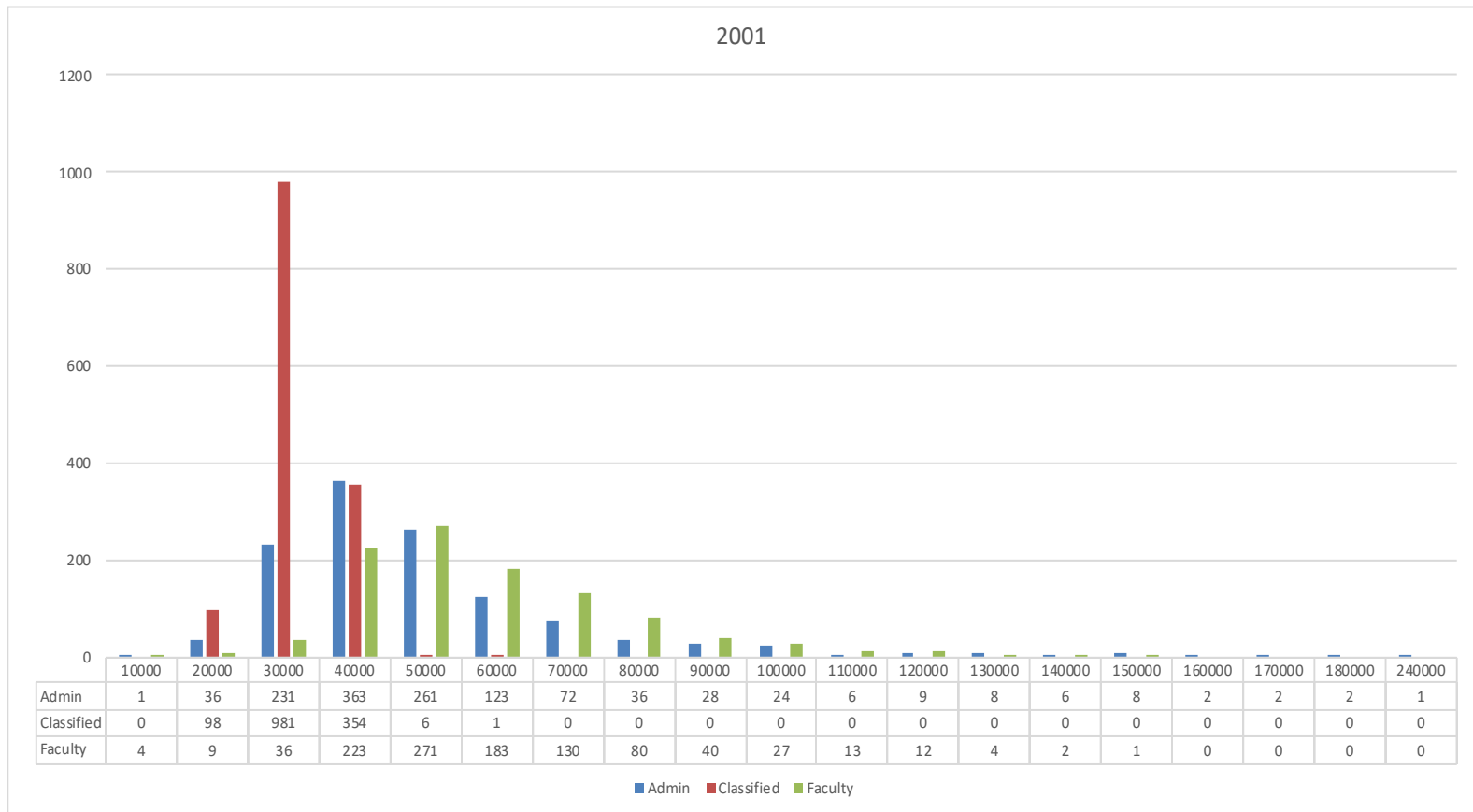
The average salary for faculty and administrators has progressed essentially in parallel with the average salary across all faculty being about 19% higher than the average salary of all administrators



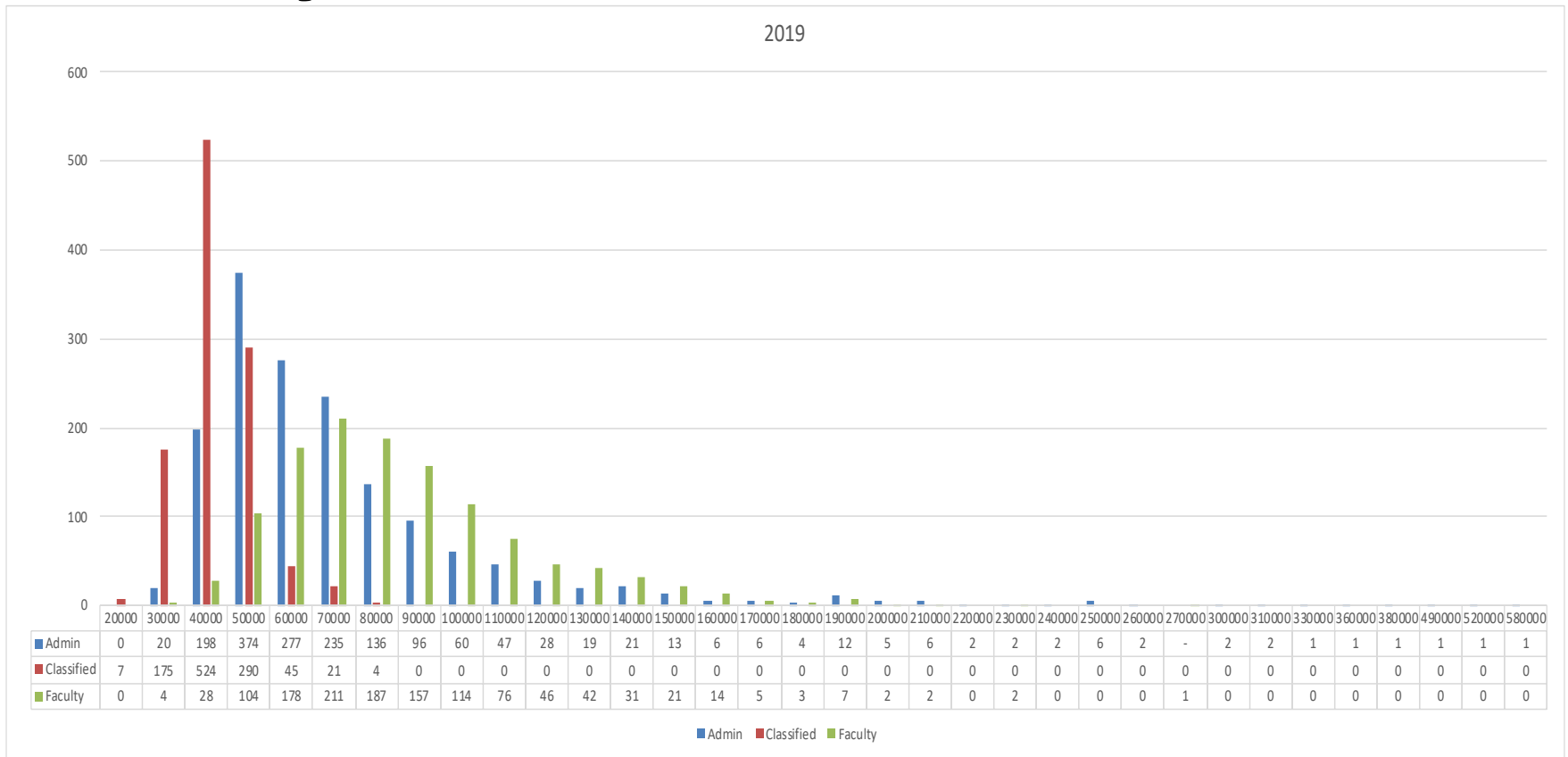
Salary Distribution – 2001 vs 2019

Perhaps adding high-paid administrators is offset in the total and average by adding larger numbers of lower paid administrators at the same time.

To look deeper into the distributions of salaries, each salary was rounded to the nearest \$10,000 to get a frequency chart with numbers of employees in each salary bucket was constructed - HCOM and RHE are excluded to focus on changes that would impact the Athens budget where the current budget challenges exist. First 2001:

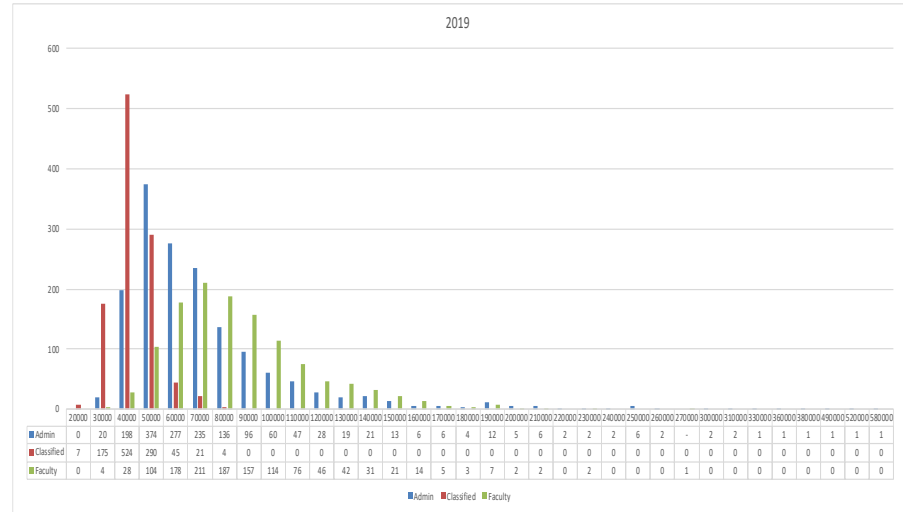
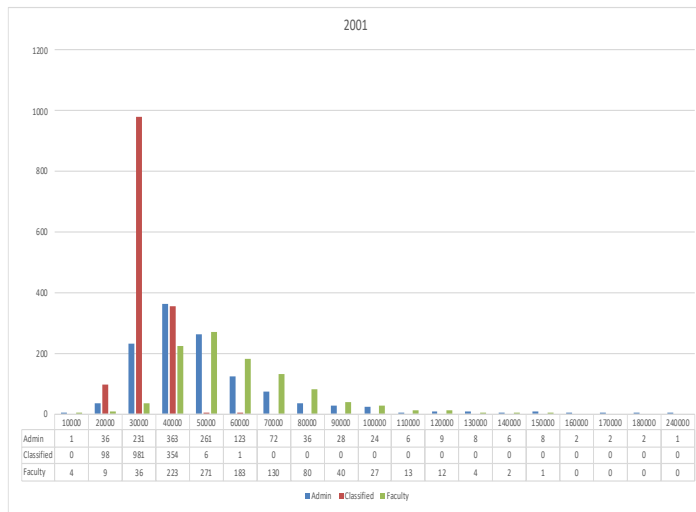


Salary Distribution – 2001 vs 2019



In 2019, classified employees similarly concentrated in the third salary “bucket” but the value of the bucket has now moved up one level to \$40,000 and the number of employees in this bucket has been cut in half from 1000 in 2001 to 500 in 2019. This shows the combination effect of increases in average salary coupled with changes in headcount. Administrators peak in the next bucket (\$50,000) as they did in 2001. Faculty salaries peak two “buckets” higher than administrators at \$70,000

Salary Distribution – Upper Tail



In 2019, the tail above the peaks is more stretched out for both administrators and faculty. For administrators, the skew was 2.37 in 2001 and is 4.55 in 2019 indicating that the tail is stretching out to the right. The distribution of faculty salaries is also positively skewed but not as much with a skew of 0.69 in 2001 and 1.16 in 2019.

The \$140,000 bucket in 2001 was set as an arbitrary point of comparison where the relatively number of administrators start to exceed faculty. There are 14 employees in this tail – 1 faculty and 13 administrators.

To get a comparable point for 2019 the \$140,000 was increased annual inflation to come up with \$202,205. In 2019, there are 37 employees in this tail – 6 faculty and 31 administrators.

Salary Distribution – Upper Tail

Athens Personnel - excludes RHE and HCOM				
	2001		2019	Change
Non-College				
President	1	President	1	0
VP Adv	1	VP Adv	1	0
CFO	1	CFO	1	0
VP Admin	1	VP Facilities	1	0
Provost	1	Provost	1	0
Legal	1			-1
VPR	1	VPR	1	0
VP RHE	1			-1
		VP HR	1	1
		Psychiatrist	1	1
		CIO	1	1
		Dir Investment	1	1
		Assoc Prov	2	2
		St Affairs	1	1
		VP Marketing	1	1
		President Staff	1	1
		VPR Partnershi	1	1
		ICA Director	1	1
Coaches	2	Coaches	3	1
College				
		TechGrowth	1	1
Dean	3	Dean	10	7
Faculty	1	Faculty	6	5
	14		37	23
Total				
	2001		2019	
Deans/Faculty	4			11
Central Admin	10			8
Salaries				
	2001		2019	
Total	2,154,839			9,810,488
Average	153,917			265,148
Inflated	222,306	Beyond Inflation		42,843

In this table, positions are lined up to show which ones were in the upper tail in both 2001 and 2019 (e.g. president, VP finance/admin, provost, etc.) and which are changing. In 2001, three deans show up at this level and this has increased to 10 in 2019. There are now 6 faculty at the higher levels in 2019 compared to one in 2001. Of the additional 23 top-paid employees from 2001 to 2019, 13 are in academic units. The remaining 10 are in non-college administration.

In 2001, the average was 153,917 which is 222,306 adjusted for inflation so the 265,148 average in 2019 is 42,843 above inflation.

This indicates that as both top faculty and administrative positions become vacant, salaries often go up with competitive hiring and market shifts in the level of salary needed to hire the level of candidate desired.

This is also related to the new market-based pay structure that we were required to implement in our settlement with ODHE in 2014.

Salary Distribution – Upper Tail

The cutoffs used are arbitrary and the increased number of positions relative to the cutoff does not necessarily mean completely new positions are being created across time.

You cannot simply add up the salaries of positions appearing in this group in 2019 and consider that to be an increase in upper administrative cost since most of the positions existed in 2001 but are below the \$140,000 cut off.

Positions in the 2019 list were matched back to the same person/position in 2001.

Of the 37 positions, 8 positions (5 in college faculty/dean and 3 in non-college administration) had no match back to 2001. For example, areas like marketing and investment did not exist in 2001.

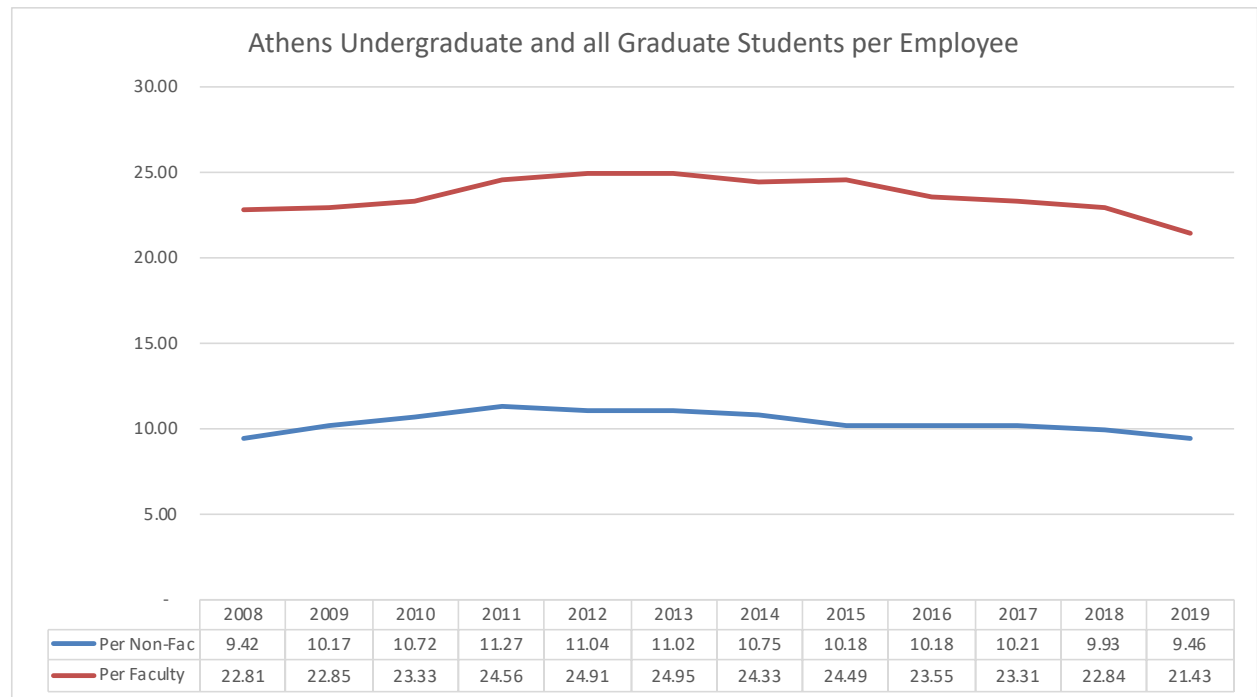
Of the remaining 30 positions, the 2001 salary was increased by inflation and the difference between that number and the 2019 salary was calculated and resulted in a number of 2.7M. This is the amount of increase in the market rate paid for those positions. Within this total 274,202 was associated with 4 faculty (68,550 per position) , 545,813 went to 9 deans (60,645) and 1.9M was in the remaining 16 non-college administrative positions (118,991 per position). Of the 1.9M, 1.1M (56%) is in the top five positions with 667K in the two highest paid positions for two coaches.

Staffing Per Student

Another potential question is whether the number of faculty and administrators added during the years of enrollment increase was sufficient to meet demand. To look into this the total enrollment (undergraduate and graduate) was divided by the number of faculty and the number of administrators to see how many students each faculty and staff are serving.

The ratio for non-faculty grew slightly coming out of the recession but did not increase with enrollment indicating that staffing has been sufficient. It has returned to the 2008 level as enrollment declined.

For faculty, the ratio ticked up some but by the enrollment peak was flat. With the enrollment decline the ratio is dropping indicating that staffing is not yet coming down in response.

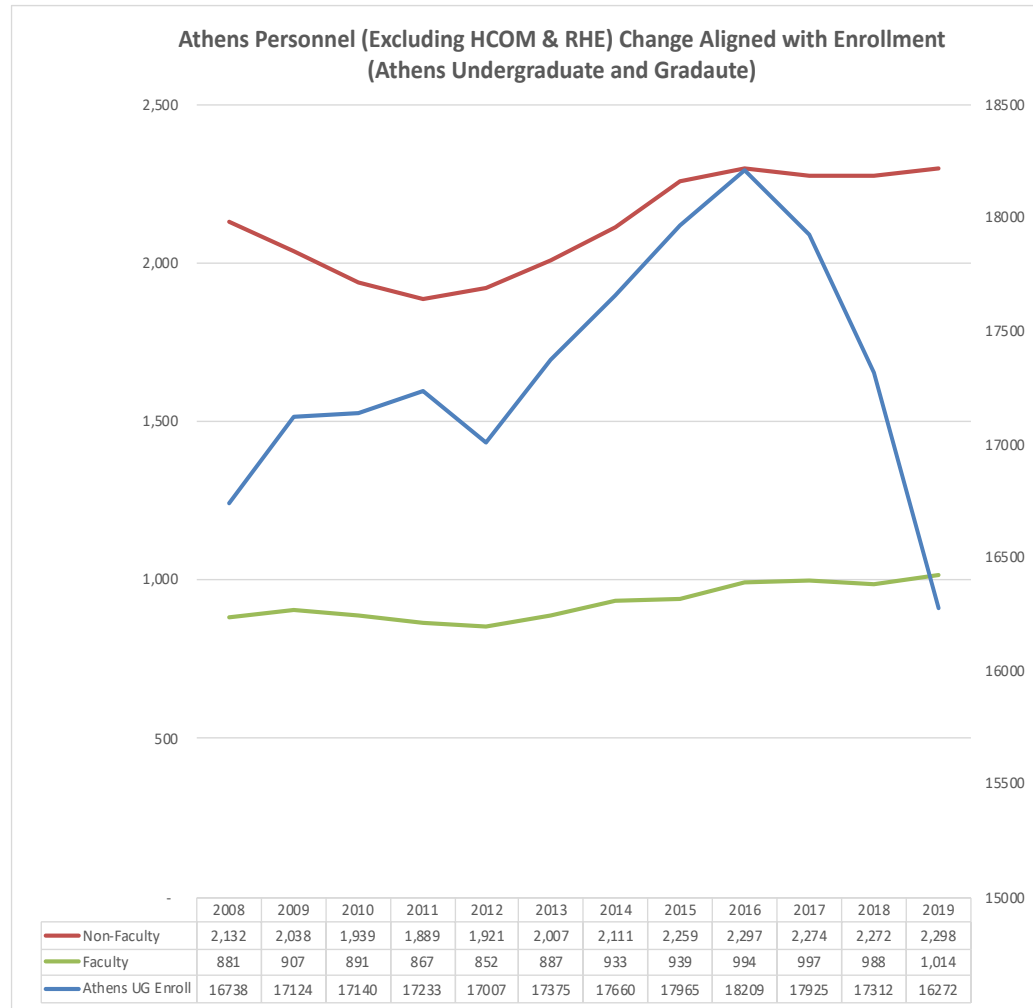


Staffing Per Student

Another way to visualize the relationship between enrollment and staffing would be to lay the enrollment trend over the FTE lines for faculty and non-faculty as illustrated here.

This would suggest that the levels of staffing of faculty and administration had not yet begun to respond to the new enrollment levels.

The Nov 2020 data is expected to start to show a response.



Summary

- The conclusion that our budget challenges are created through rampant increases in non-faculty personnel is not supported.
- Most of the increase in the administration category results from a shift from classified hourly to administrative salaried positions.
- Average salaries for faculty and administrators have increased at basically the same rate and there are not large numbers of highly paid administrators that break the budget.
- While there are increases in the number of top-paid employees, most are in colleges with most of the change being investments in recruiting Deans and some top administrators, including coaches.
- As enrollment has declined, the number of personnel (both faculty and non-faculty) have not yet been proportionally reduced.