

Minutes – Senate Budget Policies Committee
Friday, October 28, 2016, 2:30 pm
156 CL

Members in attendance: Wes Rohrer, Panos K. Chrysanthis, Tyler Bickford, Emily Murphy, Phil Wion, John J. Baker, Rich Henderson, Jessica Sevcik, Kimberly Barlow (UTimes), Mackey A. Friedman, Samantha Jankowitz, Beverly Gaddy (chair), Frank Wilson (Senate Pres.), Dave DeJong, Salim Malakouti

Absent: Elia Beniash, David Rowe, Cindy Tananis, Salim Malakouti (GPSG), Adriana Maguina-Ugarte (SAC), Stephen L. Carr, Sean Hughes, Richard Pratt, Richard Henderson, Arthur Ramicone, Lori Molinaro

(Minutes prepared by Tyler Bickford in Adriana Maguina-Ugarte’s absence.)

Meeting called to order by Chair Gaddy

1. No minutes to approve
2. Next meeting scheduled for Friday, December 9, 2:30pm, location TBD
3. Matters arising, announcements, discussion of monthly meeting time for the year, proposals for new business
 - a. DeJong: We will do gender salary analysis in spring
 - b. Bickford: State appropriation and budget cuts. We requested 5% increase in state appropriation but budgeted a 1% cut to E&G budget in case it did not come through. We did get 2.5%, approx. \$3.5 million. What happened to that money?
DeJong: those moneys are going into the “quasi-endowment account” that Ramicone handles. Proceeds from investment go into building of base budget. 2.5% from commonwealth is unbudgeted, flows into the quasi. Next year the state appropriate will be 2.5% higher, plus hopefully another 5% that we just requested.
Bickford: Money that would have gone into salaries, operating costs, is now in a discretionary investment fund
Gaddy: Can we use this for salaries?
Bickford: Why can’t we budget for requested state appropriation, and then top up from the reserves if it does not come in?
DeJong: That would be an aggressive approach to budgeting, to commit permanent funds when we aren’t sure the money will be there
Wilson: New overtime rules also created uncertainty. UPBC cuts off their deliberations too early.
DeJong: If UPBC had more time it would benefit everybody. Deadline end of May rather than April would still be enough time to get budget in front of the board. But academic year ends and a lot of people aren’t around. This year the major piece of uncertainty was the commonwealth appropriation. Impact of FLSA (Fair Labor Standards Act) changes to overtime rules. Threshold for required eligibility has gone up to \$47k (from approx \$35k). Large increase. We still don’t know how much this will cost
Wilson: FLSA changes have a large impact, school by school people have to be adjusted

DeJong: Timing. Committee makes recommendations on parameters, with priorities if unexpected money comes in.

Bickford: How big is the quasi endowment fund?

Wilson: Above \$50 million dollars (Provost and Chancellor pots together)

DeJong: There is a plant fund with \$12 million dollars annually that goes to one time needs for physical plant maintenance

Wion: There used to be a chancellor's discretionary fund every year.

DeJon: Yes there still is

Wion: We used to get more information

DeJong: It is all in the attribution study

4. Old Business: Proposal for a new peer group for salaries of regional faculty (Brodish, DeJong, Gaddy, Wilson). Continued from September meeting.

a. Discussion

Gaddy: We changed peer group in 2010/2011. Too long, unwieldy, not good comparisons. Regional faculty have not been happy. Wilson, Gaddy, DeJong have been working on proposals. We saw some options last month.

Wilson: Basic principle that we started with is that whatever list we came up with had to be based on some logic that made sense for our comparison group, as does the comparison group for the Oakland salaries. Comparisons to other AAU publics makes sense. Once you've accepted it, you are not cherry picking comparisons to make salaries look good or bad. Decisions made in response. For example, lecturer level on Oakland campus were seen as too far below median, efforts were made to increase them.

Gaddy: We are on average about 30-35% behind the main campus for salaries in our ranks. We have fallen behind our main competitors (Seton Hill and St Vincent). We lose faculty to them. They are religious schools. We teach a 4/4 load. Other campuses similar. We have not made gains and we hope this will be helpful.

Wilson: Last time we looked at a variety of lists that each had a logic. Place where we are finding common ground is by starting with 2015 Carnegie classifications to determine similarly classified institutions. The question has been what would be the geographic region. Some disagreement about what that would be. Previously the list that has been in place fluctuates year to year. AAUP used to get the data, but some schools don't report every year, so list of schools changes. Year after year some schools report inconsistently. We agreed this year to use IPEDs data from the federal government, because universities participate on a more regular basis. Data comes out late, but is more consistent. The question now is what would appropriate size, and what the parameters are. My personal view has always been that we should be compared with a comparable list of public universities in our region, however that is defined. In previous years the region was much too large. Current proposals have cut that down. Biggest option is 125 schools, including neighboring states (plus Virginia).

Rohrer: Only publics? Discussion of including small private colleges that are direct competitors.

Wilson: Carnegie classifications based on nature of undergraduate program (arts & sciences, professional, extend of graduate programs, etc.) Exclude primarily

associate-degree-granting schools, etc. I am okay with any list that makes sense. This is focused on salary comparison, but it is not the only thing you use benchmarking for. This allows us to compare our schools aspirationally, by our accomplishments, etc. Would be useful for regional campuses to be thinking about aspirational schools. We can compare the kind of students we have, which IPEDs allows (by SAT scores, etc). For several of our campuses our incoming students score higher on those tests. We are trying to increase the level of our incoming classes, like the Oakland campus. Various comparisons we could make if we had a consistent benchmarking list. Carnegie classifications are updated every five years, so list would have to be reviewed.

Gaddy: One of the problems from last month is that region proposed by Amanda Brodish went just west and south, not north and east. Exclude New York City makes sense, but we should include all the neighboring states.

DeJong: How do you define what makes sense? What is the rationale?

Gaddy: Pennsylvania schools

Wilson: It makes sense to start with PA

DeJong: How do you define what makes sense? Every campus uses benchmarks to judge our performance. At the aggregated level we don't use the AAU publics, we use a handful of peers and aspirational peers, evaluate our retention, student outcomes, etc. We don't use those to benchmark our salaries. We use AAU publics list specifically because we compete with them for faculty in a national market. Stated policy is to get the salaries at every rank to the median or above. We had not always benchmarked salaries for NTS faculty, and when we started we realized we were missing our own stated targets. For regional campuses, we want to focus on schools we compete against for faculty. If we compete against schools they should be in. If we don't compete against them they are out. This was the problem with the previous list because we are not competing for faculty who end up in the Virgin Islands, etc.

Wilson: Agrees. That was the problem. We are competing for faculty who want to go to primarily undergraduate teaching institutions. But it may be a national pool.

Gaddy: We are hiring from a national pool.

Wilson: May be problematic that we are focusing on regional area. We will invest in searches but candidate takes job at St. Vincent or other local competitor. We lose people to the state system schools after we hired them first.

Gaddy: Those schools are unionized and they pay better

Wes: If the logic is to look at regional competitors for faculty, do you have to treat Bradford differently from Greensburg, from Johnstown?

Wilson: At Greensburg it is clear that we have two direct competitors right next to us. Also Pittsburgh schools. Point Park, RMU don't show up on our lists. So our proposed lists don't include some direct competitors. Market has changed over the last 10 years. Last time we did a search we were getting applicants from Wisconsin, which tells us about the market there.

Gaddy: We have made recent hires from Massachusetts, Connecticut, New York.

Wion: Process question. In the last month have any new proposals been made?

Wilson: No. They are easy to generate. We need to agree on IPEDs as data source, Carnegie classifications for comparables. NYC cost of living differences.

Baker: But also DC, Philadelphia

Wilson: Only one county in PA around Philadelphia that has high cost of living that has comparables by Carnegie classifications. DC does not. Agree that NYC and Puerto Rico are not appropriate.

Friedman: Suggest hybridized approach that takes national data that adjusts for cost of living, and includes secondary pool of regional competitors that is produced systematically based on where faculty you recruit come from. Can create list dynamically every year. Two lists that talk to each other.

Gaddy: Can be several hundred schools long

Mackey: If you have hundreds of competitors, yes

Wion: We need a subcommittee to make this decision

Wilson: Would prefer that we agree on the list, but we could have our own list (a faculty senate list).

DeJong: I like Friedman's suggestion, but a dynamic list would give me trouble. We are aiming at a target, so we can't keep changing the target. But we can reevaluate every five years, for example. We could build that into the regular process of this committee.

Wion: Especially because the Carnegie definitions change every year

DeJong: We sat down over the summer and agreed that regional faculty largely compete for faculty within their region. But what the region is is the question. What do people think about proposals?

Chrysanthis: Arbitrary geographical division does not make sense. All of PA makes sense, question about what metro areas might be excluded, but otherwise makes sense. With whom are we competing. To which schools are we truly losing faculty?

Gaddy: We have few faculty, so few searches, not a lot of data about where we draw applications from. But across the country (recently hired from MA, CT, NY). 200 applications for tenure-stream positions. We make an offer to first choice, they take a better-paying job somewhere.

Chrysanthis: Are applications from across the country serious interest?

Gaddy: They come and interview with us, which suggests seriousness

Wilson: We consider people from multiple states, applicants ended up in multiple states (mostly in general region)

Murphy: Schools you are hiring from, are they comparable to our regional campuses?

Gaddy: They are recent PhDs

Murphy: Do you know where they go if you don't hire them?

Wilson: I tried to follow up after sociology search. Some people went to schools near Eerie. Clarion, Slippery Rock, St. Vincent, a Maryland public undergrad institution

Bickford: Frank has expressed openness to many options. What does administration need? What are bright lines?

DeJong: Contiguous states plus VA makes sense geographically. I think the metro areas are apples to oranges. Something like contiguous states plus VA, minus heavy metro area

Bickford: What about continuous states + VA minus NYC metro area, but include Philadelphia, DC.

Friedman: Some direct competitors not included

Wilson: It's okay to lose those in interest of having consistent list. Philadelphia cost of living is not so dramatic. We don't have much from NJ anyways.

Gaddy: Why throw out the high outliers but not the low outliers

DeJong: Philadelphia is relevant, because competitors feel need to give premium to retain/recruit staff. Another way to do it would be to make COL adjustments

Gaddy: Do two reports (salary benchmark and cost-of-living), like we do for Oakland

DeJong: For target we want to have salary adjusted target

Gaddy: For Oakland AAU publics list we do COL report to give context to salary benchmarks list. Why not do that for regionals?

Chrysanthis: For graduate student recruitment, I show COL adjustments, but I thought Amanda Brodish said she did not want to do that because it is too much work

Gaddy: Sounds like consensus for border states minus NYC. We would not need to go through and add Seton Hill, etc, because this would be a big enough list.

Wion: Which Carnegie groups?

Wilson: All our exact Carnegie matches minus NYC. Above 100 but less than 125 schools

Wion: Sense of the meeting is that this proposal is good

b. Vote:

i. Wilson proposes that BPC make recommendation for new peer group: Baccalaureate colleges, minus those with primarily professional focus, in neighboring states plus VA, minus NYC metro area ("group 2" from September meeting minus NYC)

ii. Rohrer moves to vote

iii. Wion seconds

iv. Proposal carried unanimously

c. DeJong: Agrees proposal is reasonable. Will bring BPC recommendation to Provost.

5. Discussion of agenda for rest of year

a. Gender parity report

b. Facilities

c. Attribution study

d. Proposal to consider staff salaries

i. DeJong: This is premature. Changes are being considered by new HR leadership

ii. Friedman: Problem of inability to promote staff needs to be addressed

Adjourned at 4pm

Future Meetings:

Friday, December 9, 2:30pm, location TBD