

To: The ISU Faculty Senate and the Executive Committee of the Faculty Senate
From: Administrative Affairs Committee
Date: 30 March 2009

Re: Analysis of ISU Staffing Data¹

With this memo we provide five tables and four graphics representing data on ISU staffing over the period 1995-2008. We considered both numbers of staff (in full time equivalents, FTEs) and salaries. We considered both budgeted positions (Table 1) and positions actually filled (Table 2). (These tables are attached as an appendix.) We highlight here some of the more salient features of the data. Most statements below regarding specific figures refer to budgeted positions rather than filled positions. Our justifications for this focus are the following:

- a) Data prior to 2006 are more complete for budgeted positions.
- b) The trends for the two data sets are largely the same; some differences are noted in section II B.
- c) Budgeted positions are a better representation of the intent of managers.

In discussing changes due to the new accounting system in section II A, however, comparisons are with respect to filled positions because all the relevant information for inferences is based on the 2008 staffing data for filled positions.

I. Key Conclusions and Recommendations

The trend previously identified in ISU staffing practices, in which the faculty share of positions relative to EAP personnel (executive, administrative and professional) declined, continued in the latest data. Table 1, which is based on raw data, shows the greatest contrasts. However, there are features of the accounting practices that artificially inflate data on EAP positions relative to data on faculty positions. Details on how we adjusted figures in table 1 to correct for these features are described below. Our final best estimates are shown in table 3 (next page). The Administrative Affairs Committee strongly urges the Senate to engage the ISU management team in a discussion of this pattern in staffing. We also suggest that consideration be given to establishing a special committee, composed of faculty and administrators, that would study carefully ISU staffing decisions and make appropriate recommendations consistent with the strategic direction of the University.

Some will find these results controversial. However, the Committee cautions that the facts we report are not necessarily at variance with good management practices. A valid normative assessment of the trends we identify requires a detailed and nuanced consideration of both the functions of people hired in the EAP categories as well as changing roles of faculty members. Personnel hired in EAP positions provide useful services toward the overall goals of the University. For example, at least 20 professional positions added since 1995 were in support the Banner information system and in webpage design, which in part support faculty functions. At the same time, a decision against replacing retiring faculty members in the Department of

¹ The Committee wants to acknowledge the helpful and responsive cooperation provided to us by Diann McKee, ISU's Vice President for Business Affairs and Treasurer. She was very forthcoming with the data needed to compile this report, and our interaction with her could serve as a model for cooperative shared governance.

Sociology ultimately led to the termination of that major's program along with the department as an academic unit, and a sociology department would also promote the goals of the University. Our recommendation to discuss the matter with the University's leadership is based on the fact that they make essentially all staffing decisions. For effective shared governance, the faculty must engage the administration in a constructive dialogue over staffing priorities in relation to overall objectives so that an inappropriate staffing pattern does not emerge or persist due to bureaucratic drift.

Table 3. Changes in ISU Staffing - Short and Long Term

[Based on budgeted positions with adjustments (a)]

	2007-2008		2006-2008		1995-2008	
	Percent	Absolute	Percent	Absolute	Percent	Absolute
Changes in FTEs						
All Faculty	-4 %	-23.3	-1.9 %	-11.1	-8.6 %	-53
T & TT Faculty	-2.4 %	-10	-2.9 %	-12	-31 %	-173
EAP+	+0.4 %	2.2	+4.9 %	23.3	+33 %	125
Exec. & Admin.	+11.8 %	8	-1.2 %	-0.9	+111 %	40
Changes in Aggregate Salaries (absolute in \$1000s)						
All Faculty	+1.6 %	+461	+5.0 %	+1,418	+7.9 %	+2,171
T & TT Faculty	+1.6 %	+423	+4.9 %	+1,224	-5.0 %	-1,303
EAP+	+4.1 %	+1,093	+8.1 %	+2,048	+80 %	+12,227
Exec. & Admin. (b)	na	na	na	na	na	na

Notes: T & TT = tenured and tenure track

EAP+ = executive, administrative and professional employees plus a few other categories.

EAP+ constitutes salaried employees who are not faculty members.

Exec. & Admin. = executives and administrators

(a) See text of memo for details on adjustments of raw data.

(b) Changes in salaries for Exec. & Admin. could not be calculated on an adjusted basis.

See table 1 for changes based on raw data.

II. Details of the Analysis

A. New Accounting System. Beginning in 2006 the data provided to the Administrative Affairs Committee were compiled on a different basis from what was the practice in the past. Strictly speaking, some of the data from 1995 to 2005 are not directly comparable to the data for the past three years (2006-2008). The basic difference is that the earlier data included only ISU employees paid out of the Current Operating and Auxiliary budgets of the university. The later data are comprehensive, including the Designated and Restricted (D&R) budgets as well.² Data for 2006-2008 include all employees, regardless of the budget from which salaries were drawn. We provide graphics that show adjusted earlier data (1999-2005) distinguished by dotted lines.

The extent to which staffing changes are due to the artifice of the accounting change can be inferred from data for 2008, which breaks down the University totals across the four major sub-

² An example of such a position is a temporary faculty member paid by grant money.

aggregate budgets. (We have no comparable figures for 2006 & 2007.) The largest effects of this accounting change are for the category of professionals, since there are several such positions supported by the D&R budgets (50 positions and \$2.0 million). But it also affects totals for administrators and adjunct faculty (i.e. 1 year and part-time faculty) to a lesser degree. There is no effect of this accounting change on executives, coaches or tenured and tenure-track (T & TT) faculty, since none are funded from the D&R budgets. For professionals, 15 percent of FTEs and 14 percent of salaries (compared to the University total) are funded in the D&R budgets. For administrators, comparable figures are 10 percent for FTEs and salaries both. For the aggregate EAP category (executives, administrators and professionals), D&R budget shares of FTEs and salaries are 12 percent and 10 percent, respectively. The D&R shares of adjunct faculty are 13 percent for FTEs and 11 percent for salaries. Looking at faculty in the full aggregate, this means 3.6 percent of FTEs and 1.1 percent of salaries are funded from the D&R budgets.

Applying these shares to the percentage changes shown in the data across 2005-2006, we can see that almost all the growth in FTEs in the EAP category (13 percent) is due to the accounting change, but less than half of the salary increase (24 percent) can be attributed to the new data method. Although the total faculty FTE increase from 2005 to 2006 is shown at 3 percent, it is reasonable to infer that there was actually a decline, since this coincided with the accounting change that would have raised the 2005 figures by 3.6 percent. If faculty salaries across 2005 to 2006 had remained constant, the broader accounting would have shown a 1.1 percent increase. Instead the reported data show a 4 percent decline, which would come to around a 5 percent decline if adjusted for the accounting change. We have no data on filled positions for executive and administrator posts in 2005, but the budgeted positions show an FTE increase of 71 percent (31.9 FTEs). Adjusting for the new accounting of administrators would lower this to around 60 percent (27 FTEs), which is still a substantial increase.

The graphics we constructed show adjusted data series (dotted lines) for the 1999-2005 data. i.e. They are adjusted to be reflective of staffing and salaries on the complete ISU budget in those years, with the adjustment based on budget shares in 2008.

B. Budgeted v. Filled Positions. Trends in the two data sets for faculty are very close, but there is less consistency in the categories of executives, administrators and professionals (EAP). Budgeted FTEs for EAP grew by 4.4 percent from 2006 to 2007 and by 0.4 percent the following year. Changes in the filled positions for the same time frames were 2.0 and 1.8 percent. Salaries budgeted for EAP positions grew by 3.8 and 4.1 percent across the same two years, but salaries for positions actually filled showed changes of 1.7 and -5.0 percent.

C. Faculty v. EAP Trends. We start from the basic data contained in Table 1, and then discuss adjustments that address two changes in ISU practices in accounting for staff. These changes are: (1) widening the scope to include all ISU sub-budgets described in section II A, and (2) a reclassification of employees within the EAP group that occurred between 2007 and 2008. The first of these adjustments attenuates the divergence between trends in faculty positions and EAP positions; the second attenuates the divergence between trends in faculty and administrative & executive positions. We focus primarily on the period from 2006 to 2008, but also examine changes between 1995 and 2008 to capture long run trends.

From 2006 to 2007, FTEs for faculty increased by 2.1 percent (12.2 FTEs) while EAP positions increased by 4.4 percent (21.2 FTEs). Within the EAP aggregate, FTEs for executives and administrators declined by 11.6 percent (a loss of 8.9 FTEs). From 2007 to 2008 FTEs for faculty declined by 4 percent (a loss of 23.3 FTEs) while EAP positions grew at 0.4 percent (2.2 FTEs). Executive & administrative positions increased by 29 percent (20 FTEs). However, about half of this gain was due to the reclassification of 12 professionals to administrative & executive positions. (See text below and table 4 for more details.) The reclassification is seen also in the decline of full-time professionals from 2007 to 2008 (a loss of 3.4 percent, or 12.7 FTEs). Across the two-year time period, FTEs for faculty declined by 1.9 percent (a loss of 11.1 FTEs) and FTEs for the EAP group increased by 4.9 percent (23.3 FTEs). In the executive & administrative group FTEs increased by 14.4 percent (11.1 FTEs). As shown in table 4 below, when adjustment is made for the reclassifications, there is actually a slight decline in this category.

Aggregate faculty salaries increased more slowly than aggregate EAP salaries in both years. The changes were 3.4 percent (+\$.96 million) compared to 3.8 percent (+\$.95 million) from 2006 to 2007. More strikingly, from 2007 to 2008 faculty salaries increased by 1.6 percent (+\$.46 million) compared to 4.1 percent (+\$1.1 million) for EAP salaries. Salaries for executives & administrators fell by 7.2 percent (- \$.54 million) from 2006 to 2007, but then grew substantially from 2007 to 2008 at 27 percent (+\$1.9 million). Again, a substantial part of this latter change is due to the reclassification within the EAP group, which is reflected in a decline of professionals' salaries of 4.9 percent (- \$.86 million) from 2007 to 2008. While this is a reasonable inference based on our knowledge of FTEs, we have no details on salary changes due to reclassification. From 2006 to 2008 faculty salaries increased by 5 percent (\$1.4 million), salaries for EAP rose by 8.1 percent (\$2.0 million), and within this group, salaries for executives & administrators increased by 18.4 percent (\$1.4 million).

Table 4 presents a long run perspective on staffing changes at ISU while taking into account the change in the accounting scope that occurred in 2006. The divergent growth rates in EAP positions compared to faculty positions across the full time frame (1995 – 2008) shown in table 1 are due in part, but only in part, to this accounting change. Table 4 summarizes changes across this fourteen-year period while adjusting the 1995 data upward to make it compatible with data compiled in 2008.³ Considering the accounting change has no impact on FTEs and salaries for coaches and T & TT faculty, since none are funded by the D&R budgets.

³ Data for 1995 was adjusted upward by inferring from 2008 data a proportion of FTEs and salaries supported by the two parts of the ISU budget not covered in the 1995 data (Designated and Restricted budgets). These proportions were calculated for the 2008 data and applied to earlier years (1999-2005) to construct the graphics as well as Table 4. This inference assumes that similar proportions of personnel were in fact working under these budgets in the earlier years.

Table 4. Changes in ISU Staffing from 1995 to 2008 (a)

(Figures for 1995 adjusted for changes in accounting system.)

Staff Category	FTEs		Salary	
	percent	number	percent	\$1000s
Executive & Administrative	+144	+52	na	na
Coaches	+52	+11	+134	+924
Professionals (b)	+46	+128	na	na
Total EAP+ (b)	+33	+125	+80	+12,227
T & TT Faculty	-31	-173	-5.0	-1,303
Total Faculty (b)	-8.6	-53	+7.9	+2,171

Notes: (a) Based on budgeted positions.

(b) Changes in Professionals, Total Faculty and Total EAP+ are estimates;

accuracy is compromised by inconsistent categories.

Given declining enrollments, it is reasonable to expect faculty positions to decline and for aggregate salaries to decline in real terms (i.e. adjusted for inflation), as they have. However, the increase in positions and salaries for EAP personnel is surprising and calls for an explanation. A part of the explanation lies in reclassification of employees. Since 1995 some support staff positions have been converted to professional positions. We have no data on the number of such reclassifications, but to the extent that these involved no change in job responsibilities, they artificially inflate the growth of the EAP category.

We have better information on reclassifications from professional to executive and administrative positions that occurred between 2007 and 2008. As these are within the EAP category, they don't change the EAP total, but they do artificially inflate the increases in executive & administrative FTEs.⁴ From 2007 to 2008, 11 professionals were reclassified as administrative and one professional was reclassified to executive. Table 5 takes these changes into account by adjusting the 2008 figures to where they would have been without these reclassifications – again based on budgeted data.⁵

These adjustments alter the pattern of changes for 2007 to 2008 and for 2006 to 2008 from what the main table (table 1) shows. Table 5 shows FTEs for all full-time EAP positions (part-time professionals are included in the total) for 2006-2008, with the 2008 figures adjusted. Accounting for the reclassifications substantially reduces the growth in administrative positions. Executive positions are affected in the same direction, but to a lesser extent. Considering the combination of both, table 5 shows an increase of 12 percent from 2007 to 2008, which is much lower than the 29 percent increase in table 1. Considering change in executive & administrative FTEs from 2006 to 2008, table 1 shows an increase of 14 percent, while the adjusted change in

⁴ This assumes there was no substantial change in the job responsibilities of these individuals. If these changes are actually promotions involving salary increases and changes of responsibilities, they do not artificially inflate the FTEs in administrative & executive posts. We choose to err on the side of reducing reported growth in this category and treat the changes as mere reclassifications.

⁵ We did not have data to adjust salaries in this way. To the extent that these changes occurred with salary increases, our downward adjustment in administrative & executive positions would overstate a similar adjustment in salaries.

table 5 is a slight decrease (1.2 percent). Applying these adjustments to the changes across the 14 year period shown in table 4, the change of 144 percent for executive & administrative positions is adjusted downward to 111 percent, while growth in professionals is raised from 46 percent to 51 percent.

Table 5. EAP Staffing Trends Accounting for Reclassifications in 2008

(Budgeted FTEs)	Adj. (b)			Percent Changes (%)			Absolute Changes		
	2006	2007	2008	06-07	07-08	06-08	06-07	07-08	06-08
Executive	42.9	37.0	39.0	-13.8	5.4	-9.2	-5.9	2.0	-3.9
Administrative	34.0	31.0	37.0	-8.8	19.4	8.8	-3.0	6.0	3.0
Exec + Admin	76.9	68.0	76.0	-11.6	11.8	-1.2	-8.9	8.0	-0.9
Coaches	33.0	32.0	32.0	-3.0	0.0	-3.0	-1.0	0.0	-1.0
Dorm Directors	7.0	8.8	5.0	26.1	-43.4	-28.6	1.8	-3.8	-2.0
Professional	362.0	377.2	376.5	4.2	-0.2	4.0	15.3	-0.7	14.5
Total EAP+ (a)	478.9	500.1	502.3	4.4	0.4	4.9	21.2	2.2	23.3

(a) EAP + includes executive, administrative, professional, coaches, & dorm directors.

Total includes part-time professionals.

(b) Adjusted for reclassification of 11 positions from professional to administrative and 1 position from professional to executive.

In sum, while this further adjustment attenuates the divergence in trends for faculty in comparison to executive & administrative positions shown in the unadjusted data, there is still a substantial differential that needs to be discussed.

D. Tenured & Tenure Track Faculty v. Adjuncts. The data also show a continuation in the trend of replacing tenured and tenure track faculty with adjunct faculty (part-time and one-year faculty), although this change was small from 2006 to 2008. Across the fourteen years of data, FTEs in tenured and tenure track positions declined by 31 percent (173 FTEs), while one-year faculty increased by 41 percent (15 FTEs). (We have no early data on part-time faculty, so a comparison was not possible). Tenured and tenure track salaries shrank by 5.0 percent, while the total faculty salary expenditure increased by 9.1 percent (well below the rate of inflation across these years).

For the three-year comparison using data generated by the new system, FTEs for tenured and tenure track faculty (including fiscal faculty) showed a decline of 3.5 percent (12 FTEs) from 2006 to 2008, while part-time faculty increased by 4.5 percent (4.4 FTEs) and one year faculty declined by 6.3 percent (3.5 FTEs). Total faculty FTEs decreased by 1.9 percent (11.1 FTEs). Regarding salary expenditures across these years, tenured and tenure-track salaries increased by 4.9 percent (\$1,224,000), part-time faculty salaries increased by 17 percent (\$185,000) and one-year faculty salaries increased by 0.5 percent (\$9,000). Total faculty salaries increased by 5 percent (\$1,417,500), which constitutes a decline in real terms (i.e. in terms of purchasing power).

E. Support Staff. Our data on support staff is limited to the last three years, over which the FTEs in this category have declined by 4.3 percent. In the University budget meetings held in

spring 2008, managers of the ISU physical plant indicated that their maintenance crews were significantly understaffed. The declines shown in the data support this contention, and indicate a problematic approach to personnel policy at the University. Since the appropriate number of support staff are largely related to the extent of the University's physical plant, unless the facilities are diminished by taking buildings out of service, the opinion of this committee is that this staffing imbalance should be addressed by adding employees in this area.