

Arkansas State University  
Faculty Senate Finance  
Committee Report  
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# Sources of Data

1. Prior Finance Committee Reports
2. Information from ASU Institutional Research
3. Ark Dept of Higher Ed (ADHE) *Fact Book*
4. Audited Financial Statements of ASU and other Arkansas Public 4-yr Institutions
5. Southern Regional Education Board – SREB
6. Arkansas Legislature Reports

# Organization of the Report

1. Overview of Higher Ed Funding Issues
2. Spending Patterns / Priorities
3. Expendable Fund Balances
4. Athletic Spending
5. ASUJ Faculty Salary Issues
6. What's Next?
7. Concerns & Recommendations



# Overview of Higher Education Funding Issues

# 1A. Overview of Higher Ed Issues

- 1) Legislative priority for K-12 and prison funding
- 2) Act 1760 of 1985 says no 2-yr college can receive less money than prior year repealed and Act 1203 of 2011 realigns funding formula
- 3) Increasing numbers of colleges attendees, while state spending more hesitant during economic downturn
- 4) Lottery scholarships are not a net incr to colleges

## 1B. Overview of Higher Ed Issues Cont.

- 5) Aging facilities, deferred maintenance, facility upgrades
- 6) Faculty salary lags national and regional averages



# 1C. Arkansas 4-Yr Salary Comparisons

Illustration 2  
Average Public Four-Year College Salaries 2009-10

Comparison Level	Average Salary
U.S. Overall	76,996
<b>SREB</b>	<b>73,557</b>
<b>Lowest State – Arkansas</b>	<b>59,792</b>
Highest State - Delaware	93,548
Next Lowest - W. Virginia	64,924



# Spending Patterns

## 2A. Spending Patterns/Priorities – Teaching

Illustration 3  
Changes in Spending Patterns Over a 10 Year Period for Instruction

	Instruction as % Total		
	2000-01	2010-11	Incr/Decr
<b>ASUJ</b>	51.5%	49.3%	Decr
<b>ATU</b>	46.2%	42.6%	Decr
<b>HSU</b>	51.4%	42.8%	Decr
<b>UAF</b>	41.7%	44.1%	Incr
<b>UALR</b>	39.2%	41.5%	Incr
<b>UAPB</b>	32.3%	31.3%	Decr
<b>UCA</b>	50.4%	46.5%	Decr

# 2B. Spending Patterns/Priorities – Teaching & Research

Illustration 4  
Changes in Spending Patterns Over a 10 Year Period for Instruction & Research

	Instruction & Research as % Total		
	2000-01	2010-11	Incr/Decr
<b>ASUJ</b>	42.4%	41.8%	Decr
<b>ATU</b>	46.7%	43.6%	Decr
<b>HSU</b>	52.5%	43.8%	Decr
<b>UAF</b>	47.2%	49.1%	Incr
<b>UALR</b>	42.5%	45.2%	Incr
<b>UAPB</b>	32.8%	36.7%	Incr
<b>UCA</b>	51.8%	47.4%	Decr

## 2C. Spending Patterns/Priorities – All Areas

Illustration 5  
ASUJ Relative Spending by Functional Categories over a 10 Year Period

ASUJ	2000-01	2010-11	Incr/Decr
<b>Instruction</b>	41.5%	39.3%	<b>Decr</b>
<b>Research</b>	1.0%	2.5%	<b>Incr</b>
<b>Public Service</b>	2.4%	1.6%	<b>Decr</b>
<b>Academic Support</b>	10.3%	12.2%	<b>Incr</b>
<b>Student Services</b>	4.9%	7.1%	<b>Incr</b>
<b>Institutional Support</b>	13.7%	12.4%	<b>Decr</b>
<b>Oper. &amp; Main. of Plant</b>	9.6%	9.9%	<b>Incr</b>
<b>Scholshps &amp; Fellowshps</b>	9.0%	14.2%	<b>Incr</b>
<b>Other</b>	7.8%	0.9%	<b>Decr</b>

# 2D. Spending Patterns/Priorities – All Areas per FTE Adjusted for Inflation

Illustration 6  
ASUJ Functional Spending Per FTE Adjusted for Inflation

ASUJ Expend. per FTE	2000-01 Unadj	2000-01*	2010-11 Unadj	Adjusted Incr/Decr
<b>Instruction</b>	3850	4890	4098	-16%
<b>Research</b>	87	111	260	+135%
<b>Public Service</b>	220	279	168	-40%
<b>Academic Support</b>	952	1209	1270	+5%
<b>Student Services</b>	458	582	743	+28%
<b>Institutional Support</b>	1267	1609	1288	-20%
<b>Op.&amp; Main. of Plant</b>	889	1129	1034	-8%
<b>Schol &amp; Fellow</b>	833	1058	1477	+40%
<b>Other</b>	726	922	89	-90%
<b>TOTAL</b>	<b>9282</b>	<b>11789</b>	<b>10427</b>	<b>-12%</b>

\*adjusted for inflation to 2010-11

### 3. Expendable Fund Balances

**Illustration 7**  
**ASUJ Fund Balances over the Last Four Fiscal Years**

	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
<b>\$\$ Fund Balance</b>	<b>4,251,913</b>	<b>8,939,501</b>	<b>13,962,869</b>	<b>21,867,576</b>
<b>FB as % of Current Fund Revenues</b>	<b>3.5%</b>	<b>6.8%</b>	<b>9.9%</b>	<b>14.7%</b>



# Athletics

# 4A. Athletic Spending ASUJ

Condensed from Illustration 8

<b>Excess of Cost over Basic Revenues</b>	<b>(5,882,650)</b>	<b>(5,683,646)</b>	<b>(5,851,231)</b>	<b>(6,472,297)</b>	<b>(6,339,542)</b>
<b>ATHLETIC FINANCING:</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
<b>Student Athletic Fees</b>	<b>2,273,704</b>	<b>2,250,882</b>	<b>2,784,556</b>	<b>2,832,773</b>	<b>2,889,905</b>
<b>Transfers from E&amp;G</b>	<b>1,057,166</b>	<b>1,078,234</b>	<b>1,124,400</b>	<b>1,124,720</b>	<b>1,142,715</b>
<b>Other Aux. Profits</b>	<b>2,551,780</b>	<b>2,354,530</b>	<b>1,942,275</b>	<b>2,514,804</b>	<b>2,296,992</b>
<b>TOTAL FINANCING TO COVER DEFICIT</b>	<b>5,882,650</b>	<b>5,683,646</b>	<b>5,851,231</b>	<b>6,472,297</b>	<b>6,339,542</b>

# 4B. Athletic Spending ASUJ

Condensed from Illustration 8 (enlarged font rounded to millions \$)

<b>Excess Cost (mil)</b>	<b>(5.9)</b>	<b>(5.7)</b>	<b>(5.9)</b>	<b>(6.5)</b>	<b>(6.3)</b>
<b>ATH. FINANCING:</b>	<b>06-07</b>	<b>07-08</b>	<b>08-09</b>	<b>09-10</b>	<b>10-11</b>
<b>Stud. Ath. Fees</b>	<b>2.3</b>	<b>2.3</b>	<b>2.8</b>	<b>2.8</b>	<b>2.9</b>
<b>Transfers E&amp;G</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>
<b>Other Aux. Prof.</b>	<b>2.6</b>	<b>2.4</b>	<b>1.9</b>	<b>2.5</b>	<b>2.3</b>
<b>TOTAL FINANCING*</b>	<b>5.9</b>	<b>5.7</b>	<b>5.9</b>	<b>6.5</b>	<b>6.3</b>

\*May not sum due to round-off error

# 4B. ASU Athletics Funding vs. Others

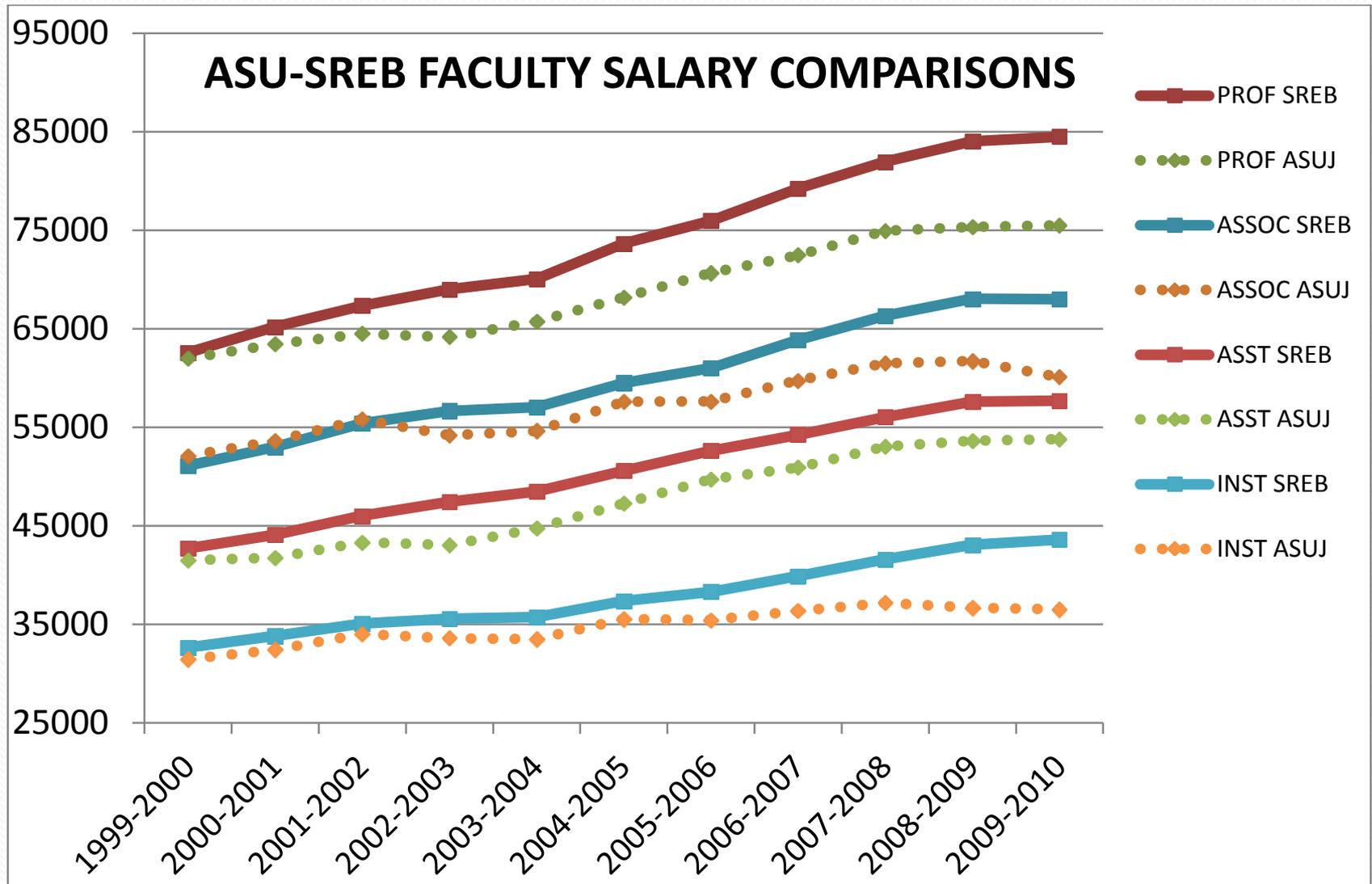
**Illustration 9**  
**Total Intercollegiate Athletic Subsidies in Selected**  
**Arkansas Public 4 Year Colleges**

	<b>Fees</b>	<b>Auxiliary Profits</b>	<b>E&amp;G Transfer</b>	<b>Total Subsidy</b>	<b>2010-2011 FTE's</b>	<b>Athletic Fees per FTE</b>	<b>Total Subsidy per FTE</b>
<b>ASUJ</b>	<b>2,899,905</b>	<b>2,296,922</b>	<b>1,142,715</b>	<b>6,339,542</b>	12,495	232	507
<b>UALR</b>	4,055,144	0	949,859	5,005,003	10,018	405	500
<b>UCA</b>	5,053,343	1,375,481	1,142,715	7,571,539	10,446	484	725
<b>UAPB</b>	1,199,943	1,438,350	1,078,234	3,716,527	3,104	387	1197
<b>ATU</b>	2,650,302	0	1,124,400	3,774,702	8,515	311	443
<b>HSU</b>	1,209,524	936,615	1,142,715	3,288,854	3,576	338	920
<b>UAF</b>	0	0	0	0	19,852	None	None

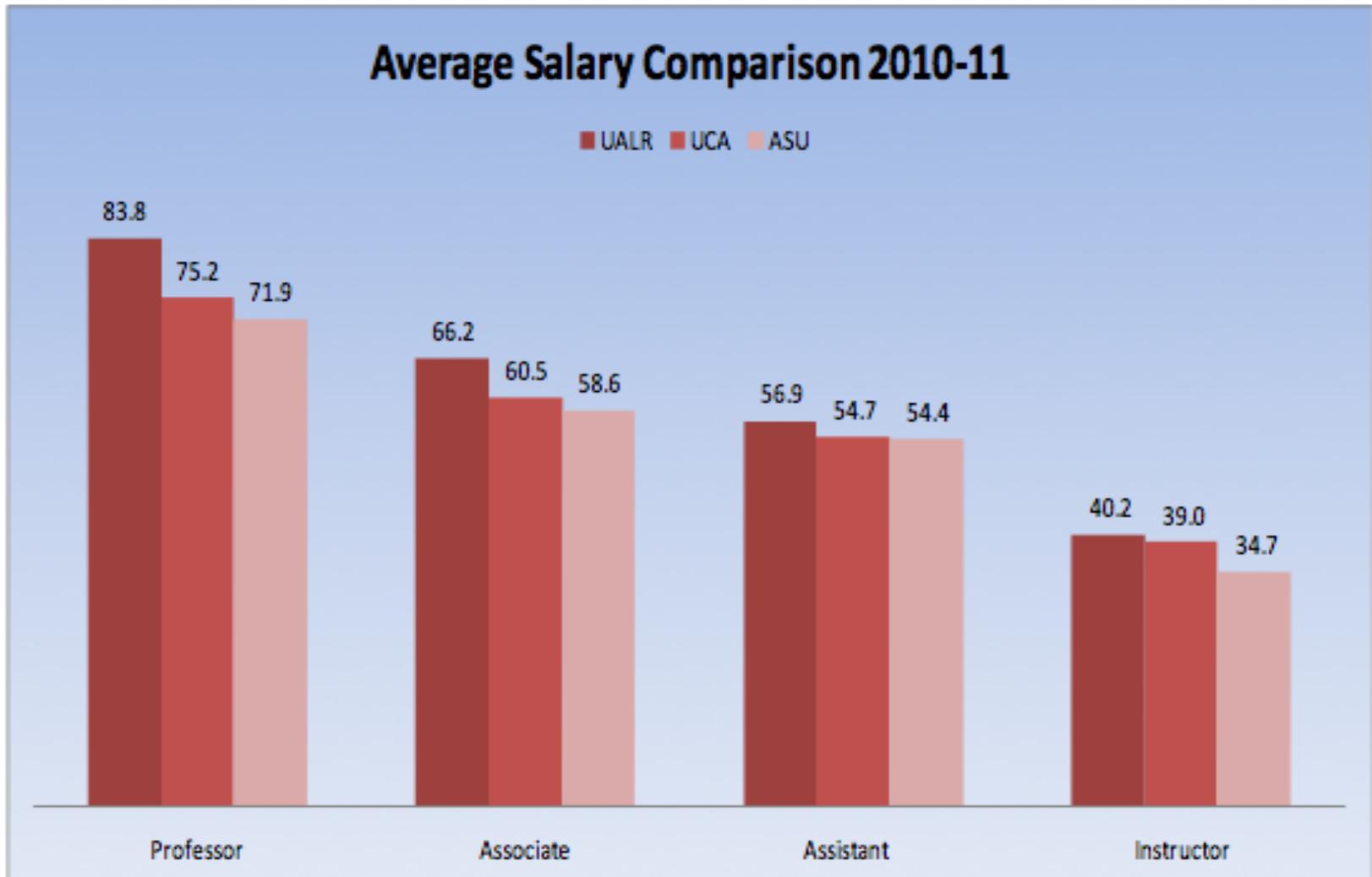


# Salaries

# 5A. 2000-2010 ASU Faculty Salary Comparisons



# 5C. 2010-11 Salary Comparisons



# 5D. Faculty Salary Increases Since May 1, 2011

## Illustration 13

### Summary of Faculty Salary Increases Since May 1, 2011 Equity and Promotion Salary Increases

<b>Appointment</b>	<b>No.</b>	<b>Avg %</b>	<b>Avg \$</b>	<b>High \$</b>	<b>Low \$</b>
<b>Instructor</b>	<b>25</b>	<b>5.1</b>	<b>1,871</b>	<b>6,000</b>	<b>330</b>
<b>Assistant</b>	<b>37</b>	<b>4.4</b>	<b>2,392</b>	<b>9,000</b>	<b>276</b>
<b>Associate</b>	<b>46</b>	<b>2.9</b>	<b>1,759</b>	<b>3,174</b>	<b>514</b>
<b>Professor</b>	<b>41</b>	<b>4.9</b>	<b>3,532</b>	<b>8,883</b>	<b>518</b>
<b>Dept. Chr.</b>	<b>4</b>	<b>5.1</b>	<b>4,212</b>	<b>4,786</b>	<b>413</b>
<b>total</b>	<b>153</b>		<b>2,391</b>		

10 Faculty promoted: increases of \$2500 and \$3000 for promotion to Associate and Professor, respectfully

# 5E. Non-Faculty Salary Increases Since May 1, 2011

**Illustration 15**  
**Summary of Non-Faculty Equity Salary Increases**  
**Since May 1, 2011\***

<b>Appointment</b>	<b>No.</b>	<b>Avg %</b>	<b>Avg \$</b>	<b>High \$</b>	<b>Low \$</b>
<b>Non-Faculty</b>	<b>81</b>	<b>5.98</b>	<b>3,810</b>	<b>35,603</b>	<b>328</b>
<b>Subgroup</b>	<b>10</b>	<b>6.87</b>	<b>9,994</b>	<b>35,603</b>	<b>300</b>
<b>\$100,000 +</b>					

\*one person received salary increase attributed to assignment to new duties  
 Excludes salary increase for President of ASU System  
 No academic deans received salary increases

# 5F. Reported ASUJ Personnel Paid \$100,000 or More

**Illustration 16 (Condensed from Appendix C)  
ASUJ\* Personnel Salary \$100,000 or More Reported in Fall 2011**

<b>\$ Salary</b>	<b>No.</b>	<b>No. Salary Equity</b>
<b>225,000 up</b>	<b>1</b>	<b>1</b>
<b>200,000 to 224,900</b>	<b>3</b>	<b>1</b>
<b>175,000 to 199,900</b>	<b>2</b>	
<b>150,000 to 174,900</b>	<b>11</b>	<b>3</b>
<b>125,000 to 149,900</b>	<b>11</b>	<b>2</b>
<b>100,000 to 124,900</b>	<b>33</b>	
<b>Total</b>	<b>61</b>	<b>7</b>

\*Excluded from analysis: ASU System President \$285,000 and General Counsel, \$196,829 (both increases)

# 5G. Proposed Faculty Salary Increase Funding for FY13

## Illustration 17

**Proposed Existing Faculty Salary Changes According to UPC Budget Priorities  
(Draft Presented by Chancellor Howard March 28, 2012)**

Type of Personnel	Proposed Amount	Totals	% Total Amount
2% COLA for Faculty	770,000		
1% COLA for Faculty	385,000		
Faculty Promotions	70,000		
Faculty Equity Pool	<u>165,000</u>		
Total Faculty		1,390,000	51.1%
2% COLA Non-Classified	358,385		
Non-Classified Equity Pool	<u>228,023</u>		
Total Non-Classified		<u>586,408</u>	<u>15.2%</u>
Total Faculty and Non-classified		1,976,408	66.3%

# 6A. What Next for Senate Finance Committee?

- Continue to assist Faculty Senate in advocating for increased faculty support
- Continue monitoring ASUJ expenditures and allocations
- Request and analyze of ASUJ expenditure detail and trending



# Concerns and Recommendations

# 7A. Concerns

- Overall Arkansas salaries –ASUJ lowest among its peers
- Increased funding for intramural athletics, research, and student support at expense of instruction
- Economizing on faculty with large section sizes and AP when effects on quality are unknown

# 7B. Recommendations

- Therefore,

*We recommend the Faculty Senate continue to pursue and emphasize the need for:*

*Fully funded internal faculty equity adjustments, and,*

*Efforts to adjust salaries to SREB averages over next 5 years.*



***Questions or  
Comments?***