

# Faculty Assembly

April 10, 2012

Library Conference Room

Ralph Olliges, Faculty Senate President, called the meeting to order.

## Announcements

Ralph started the meeting with a moment of silence in memory of Dr. George Slusarz who was a dear colleague. Dr. Slusarz passed away on April 6, 2012. Ralph also mentioned that George played Santa as well as raised and matched funds for St. Peter and Paul.

## Budget

Ralph welcomed Dr. Julian Schuster, Dr. Greg Gunderson, and Dan Hitchell to discuss the overall budget view and process.

Provost Schuster explained that due to several subjective things that happened during the process, from a technical standpoint, the budget process is not the way the administration wanted it. The administration worked with the SFB Committee and the university community in the budget process. He stated that we all participate in the life of this institution and that each and every budget consists of revenues and expenditures.

On the expense side, department chairs worked with their deans to forward a budget to the administration with their requested needs. On the revenue side, the administration made a commitment to move from an annual budgeting process to a multiyear budgeting process with projections of revenue and expenditures. Enrollment plays a large part in this process.

Julian sent an email to the Webster community that discussed the shortfall on the revenue side. Instead of cutting operational budgets or university personnel, finance was engaged. Academic Directors have been working on closing the gap on the revenue side by phoning students to ask why they did not register for courses. In the next year, focus will center on growing revenue. Additional revenue monies were found and that is how the 1.5 percent pay increase came to be.

Next year, the administration hopes to engage more individuals in the budgeting process. There needs to be more responsibility and accountability on the revenue side. It will motivate all of us in the budgeting process.

Dr. Greg Gunderson took the floor to guide the faculty through the budget process. He stated that the Board of Trustees accepted a three-year modeling approach. By setting tuition trends earlier, it aids in the strategy of pricing. In March, the budget process was finalized. He explained that this was a more involved process going back much earlier in the year. Making a budget is an interactive process.

Regarding tuition, Dr. Gunderson described a projected three percent tuition increase over 2012, 2013, and 2014. There will be a zero percent tuition increase for military students. Our competition has priced tuition right below us. Webster University has a quality that our competitors cannot match. We are an institution holding the line on price where our peers cannot. From fiscal year 2008 through fiscal year 2013, our projected rate of growth is 1.3 percent. Webster University is bucking the national trend by holding tuition increases down.

With regard to enrollment, we are stable. One of the goals of the University is to grow new freshmen enrollment. Our metro graduate population is dropping, but military student enrollment has seen a significant growth. Online graduate enrollment continues to grow. The global economy stinks and is reflected in the budget.

Looking back over the last five years, fixed costs have grown \$3.2 million. Fixed costs include faculty promotions, software licenses, healthcare insurance, utilities, and food service just to name

a few. In fiscal year 2013, estimated \$5.3 million in new revenue versus \$3.8 million in fixed costs = \$1.6 million in available funding. In fiscal year 2012, we had \$2.6 million in available funding.

Next year, students using credit cards to pay tuition will be charged a three percent service fee.

The new East Academic Building came in about \$400,000 under budget.

We need to find a way to obtain more applicants. Retention is clearly in the faculty's hands in that if students have a meaningful relationship with faculty, they will stay on task and graduate on time. To grow this "pie" it will take everyone's efforts.

Webster University is the third largest institution in the United States educating military students and non-active personnel. About 18 – 20 percent of our generated revenue comes from military and related items. We are almost non-existent in the undergraduate military market. One of the initiatives of global education is to increase our presence in serving enlisted personnel.

### **Endowment**

A question was asked regarding Webster's desire to increase the endowment and the possibility of using the endowment funds when there is a decrease in enrollment? Faculty have not heard any news about growing the endowment. Dr. Schuster responded that there is currently 80 – 83 million in endowment which fluctuates due to the market. The endowment comes primarily through market fluctuations and fundraising. Our endowment would need to reach 220 million to be effective and we will not see that in 3 years or even 30 years. By 2013, we will be above 100 million and have made significant progress. 4.5 percent can be drawn down from the endowment. The idea is that you always need to preserve the value of the endowment reflective of inflation rate.

### **Salary & Fringe Benefits Committee**

Joe Stimpfl spoke on behalf of the Salary & Fringe Benefits Committee. A document was distributed on Full-Time Faculty Overload Guidelines. The guidelines define the maximum overloads for the normal 9 month academic year: 1) Additional 6 credit hours of coursework per 16 week semester in any combination of courses. 2) Total course credit for the nine month academic year should not exceed 30 credit hours. 3) Faculty whose contractual responsibilities for instruction have been reduced for administrative assignments (i.e. department chairs) will be limited to only 6 credit hours of additional coursework during the nine month academic year. 4) This includes any course offered through Webster University's various locations or its online program.

On Monday, Joe sent out a link to an AAUP report which stated that last year faculty salaries increased at 1.8 percent nationally based on a 3 percent inflation rate. Webster is consistent with AAUP.

A Discussion and Conclusions report was distributed for Academic Year 2012 – 2013 that shows what the SFB Committee recommended, the administration response, and a conclusion on the following topics:

- 1) Faculty Salary: 2 percent (1.5 percent across the board; 0.5 percent merit)
- 2) Faculty Development Fund: Some increase will be made according to available funds. Faculty can plan to ask for more than their allotment. Available funds not spent by one faculty member may be reallocated to another member to ensure spending at the school/college level. Faculty development includes research. A question was asked if funds were available to adjunct faculty and, at current, there are no funds available for adjunct faculty.
- 3) TIAA-CREF: No adjustment can be made under the current plan. Over the years, the question was asked if TIAA-CREF could be applied to overloads, etc. At this time, it is applied only to base salary. The question was asked if this is something that faculty should continue to think about and explore?
- 4) Faculty Development/Research Grants: The fund is now \$100,000 with a \$10,000 maximum award. When applying for grants, please use the Boyer Model.
- 5) Compensation for one-on-one teaching: compensated up to six credits per semester. In discussing this as an incentive, they came up with this policy.

6) New faculty start up costs: New faculty lines will be budgeted for start up costs. When budgeting for a new line, it did not include costs associated with start up. It is important for upper level administration to include this as part of the budgeting process. Costs should not include project costs. This will prevent departments from scrambling to come up with funds. A faculty member asked how start up costs are defined. Does that include a desk? Office? Joe stated that the definition is whatever it takes to allow a person to be successful as a faculty member in order to do their job.

7) Laptop replacement: This is now policy and does not need further discussion.

8) Status and standing of adjunct faculty: University administrators and faculty are reviewing the issues and a report will be issued in the near future. There are many different categories of adjunct faculty both at the Webster home campus and abroad. This is a very complicated issue and last year SFB asked for a committee to advise them on how to address some of the concerns. Mike Hulsizer who is on the Adjunct Faculty Committee stated that the committee has met to discuss benefits for adjunct faculty and define the scope of the problems to see if some level of benefits can be provided; progress is being made.

A motion was made and seconded to accept the Salary & Fringe Benefits report. All were in favor; motion carried.

### **Gender Equity Study**

A question was asked in regard to what has happened to the gender equity study that faculty voted on at the November 8, 2011 Faculty Assembly? It has not been forgotten as it is still working its way through Faculty Senate and administration.

### **Mercer**

A faculty member stated that Mercer seemed to be equitable by reasonable standards and he was okay with it; however, with some only receiving a 2 percent cost of living increase, it seems that some are taking a hit so that others can receive a raise. He suggested that the Mercer commitment has been deferred in the past; perhaps it could be deferred again. Dr. Gunderson responded that Mercer was undertaken with the support of faculty and staff to address those that fell below market compensation rates. It is his understanding that Mercer adjustments were not coming out of the general salary pool, but that the Board of Trustees would provide those funds for that reason. He further stated that merit is designed to address equity issues and the Board would approve the two separately. Webster ranks nationally at 1.9 percent against other peers.

Dr. Schuster further explained that Mercer was all about those that are being grossly under paid to bring those individuals that are below the minimum to market value. You cannot neglect the market on one side and then blindly accept it on the other. It is important to clarify that the administration stands not to create more injustices, but first and utmost to create an atmosphere of equality.

Art faculty stated that they do service for the university and their pay is less. It was suggested to put a system in place to put those differences in check.

One option suggested was to give everyone a cost of living increase and then take what is left and distribute those funds to individuals due a Mercer adjustment.

Another statement was made that all these years, Webster pays according to performance and value within the university and there are many examples of people who make contributions to this university and are at the bottom of the scale in pay. Women are the ones falling in the trap of gender equity and there are major issues that have not been dealt with. We need more negotiation with the administration. Mercer was not a collaboration and we do not even know how that information was derived.

**Adjunct Faculty**

A faculty member implored the administration and faculty that so relies on adjunct faculty to please put them in the middle on equity pay. Apply that to those who have helped move Webster University's mission forward. No one who works for Webster should be paid less than other institutions.

**Letter of Commendation**

Joe Stimpfl read a letter of commendation of Dr. George Slusarz.

The Faculty Assembly adjourned at 4:35 p.m.