

How is the Money Spent?
**FAU Expenditures on Faculty and Higher Level
Administration in the Period from 2001-02 to
2008-09**

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Introduction

In a period of tight budgets, how a public university spends its money can become a question of great interest. The FIU Research Institute on Social and Economic Policy (RISEP) was contacted by the FAU chapter of the United Faculty of Florida with a request to analyze the FAU budget in terms of its relative expenditure of resources on salaries for faculty and the salaries of higher-level administrators. The following report provides the results of our findings.

Methodology of this Report

This report is derived from an analysis of publicly available data on Florida Atlantic University's budget. Two sources were used to gather data. Numbers and salaries of faculty and administrators are taken from data provided to the UFF-FAU chapter by the university administration. Student data on FTEs and tuition are taken from the FAU Office of Institutional Effectiveness & Analysis fact books and quick fact, available from the FAU website (<http://www.fau.edu/iea/index.php>).

"Faculty" are defined as those within the UFF-FAU collective bargaining unit other than university school teachers, librarians, and the university's two psychologists, one physician, and four student counseling specialists. In other words, it comprises the professionals (faculty) who conduct the university's main mission: teaching enrolled students, conducting scholarly research, and performing related service activities.

For the purposes of this study, we are defining an administrator as someone holding a rank within the university higher than that of the regular faculty. The following categories are included: President, Vice President, Associate Vice President, Assistant Vice President, Provost, Associate Provost, General Counsel, Associate General Counsel, Executive Assistant, Dean, Associate Dean, Assistant Dean, Director, Associate Director, Assistant Director, or Chair.

An Overview: the Numbers

Table 1 shows the numbers on administrative and faculty numbers and salaries, student FTEs and tuition and fees for various years between 1997 and 2006.

* Thanks to the United Faculty of Florida, FAU Chapter, for funding this report. It bears no responsibility for the facts and analyses in this report, however, which are entirely the responsibility of the authors. The UFF-FAU chapter exerted no influence over the analysis and findings of the authors.

Table 1
High level Administrative and Faculty Numbers and Salaries and Student FTEs and Tuition and Fees at FAU, 2001-2002, 2006-2007, 2007-2008 and 2008-2009 (Dollar amount in thousands)

	2001-2002	2006-2007	2007-2008	2008-2009	Percent Growth 01-02 to 08-09	Avg Yearly % Growth 01-02 to 08-09
Administrative Salaries (total sum)	\$18,206	\$31,410	\$33,019	\$35,053	92.5%	9.8%
Administrative Employee FTE Numbers	244	372	368	393	61.0%	7.0%
Faculty Salaries (total sum)	\$39,215	\$54,905	\$58,412	\$60,497	54.3%	6.4%
Faculty Employee FTE Numbers	625	845	853	877	40.3%	5.0%
Tuition and Fee Income	\$45,682	\$78,148				na
Annual Student FTE Numbers	14,715	17,085	17,793	17,820	21.1%	2.8%

Student data is from Office of Institutional Effectiveness & Analysis at Florida Atlantic University, Fact books and Quick fact. Available online: <http://www.fau.edu/iea/index.php>

Table 1 contains a wealth of information, so it is best understood if we isolate and compare some of the data within it. First, we compare the rate at which administrative salaries have been growing compared to the rate at which faculty salaries have been growing in the period between 2001-02 and 2008-09:

Average annual growth rate of administrative salaries: 9.8%
Average annual growth rate of faculty salaries: 6.4%

Second, to compare the rate at which the number of administrators has been growing compared to the rate at which the number of faculty have been growing in the same period:

Average annual growth rate of number of administrators: 7%
Average annual growth rate of number of faculty: 5%

These comparisons demonstrate that there has been an overall shift of resources, both in salaries and numbers, toward administrators and away from faculty. This shift of resources indicates a shift of priorities toward administration and away from faculty.

Analysis of Trends

The diversion of resources to the administrative function is due to both an increase in the numbers of administrators compared to faculty, **and** to administrators receiving larger wage increases than faculty. Simple percentages show the shifts. Regarding numbers of different categories of employees, in 2001-02, there were 39% as many administrators as there were faculty ($244/625 = 39\%$). By 2008-09, there were almost 45% as many ($393/877 = 44.8\%$). This is a result of faster administrative employees being added at faster rate than the rate of growth of any other type of employee. **In the 2001-02 to 2008-09 period, FAU added administrative employees at almost three times the rate it added instructional staff, and at almost twice the rate of employee growth as a whole.** Table 2 shows the details.

Table 2
Numbers and Growth Rates of Different Categories of Employees, 2001-02 to 2008-09

	2001-02	2006-07	2007-08	2008-09	Percent Growth 01-02 to 08-09	Average Yearly Percent Growth 01-02 to 08-09
Total Instructional Faculty	681	777	797	788	16%	2.1%
Total Administrative	776	1059	1119	1178	52%	6.1%
Total Non Instructional	1498	1769	1822	1951	30%	3.8%
Total Employees	2179	2546	2619	2739	26%	3.3%

Source FAU FACTBOOK

The shift in relative salaries is even more evident: in 2001-02 administrative salaries were a little more than 46% of faculty salaries. By 2008-09 this percentage had grown to almost 58%. Table 3 shows details.

Table 3
FAU Administrative Salaries as a % of Faculty Salaries, 2001-02 and 2008-09
(Dollar amount in 1,000s)

	2001-2002	2008-2009
Administrative Salaries	\$18,206	\$35,053
Faculty Salaries	\$39,2125	\$60,497
Administrative Salaries as a % of Faculty Salaries	46.4%	57.9%

As the bottom row of Table 3 illustrates, **the university has continued to divert an ever-greater percentage of its salary resources to administrative overhead, away from the directly productive workforce, the faculty.**

If we look at the average salaries of faculty and the average salaries of administrators as individuals (not aggregated or summed), the same pattern emerges. In 2001-02, the average administrative salary was 119% of the average faculty salary; by 2008-09 this ratio had grown to 129%. Table 4 shows the relevant details.

Table 4
Average Faculty and Administrative Salaries, 2001-02 through 2008-09

	2001-2002	2008-2009
Administrative Salaries	\$74,574	\$89,194
Faculty Salaries	\$62,716	\$68,948
Administrative Salaries as a % of Faculty Salaries	119%	129%

(Again, we remind the reader that we are categorizing as “administrative salaries” only those who hold positions at the level of Director or Chair or higher in the university hierarchy.)

Detailed Breakdown of Administration Salaries and Numbers

A more detailed breakdown of the changes in administrative position salaries and numbers is given in Table 5. From this table, it is relatively easy to make comparisons between categories, or between any category of administrator and faculty. Further analysis could be done by the reader depending on area of interest.

Table 5
High Level Administrative Salaries (summed) by Category at FAU, 2001-2002 and 2008-2009

		2001-2002	2008-2009	Percent Growth 01-02 to 08-09	Average Yearly Percent Growth 01-02 to 08-09
President	Salary	\$191,500	\$324,938	70%	8%
Vice President	Salaries	\$932,174	\$1,518,788	63%	7%
	No. of Employees	8	9	13%	2%
Associate Vice President	Salaries	\$464,444	\$668,076	44%	5%
	No. of Employees	5	5	0%	0%
Assistant Vice President	Salaries	\$555,867	\$1,653,838	198%	17%
	No. of Employees	7	16	129%	13%
General Counsel	Salary	\$118,500	\$176,205	49%	6%
Associate General Counsel	Salaries	\$167,538	\$259,484	55%	6%
	No. of Employees	2	2	0%	0%
Provost	Salary	\$517,542	\$260,081	-50%	-9%
	No. of Employees	4	1	-75%	-18%
Associate Provost	Salary	\$377,183	\$717,084	90%	10%
	No. of Employees	3	5	67%	8%
Executive Assistant	Salaries	\$182,233	\$84,585	-54%	-10%
	No. of Employees	3	1	-67%	-15%
Director	Salaries	\$3,963,388	\$9,367,731	136%	13%
	No. of Employees	60	105	75%	8%
Associate Director	Salaries	\$2,149,317	\$4,515,725	110%	11%
	No. of Employees	38	72	89%	10%
Assistant Director	Salaries	\$2,000,718	\$4,566,004	128%	13%
	No. of Employees	46	87	89%	10%
Dean	Salaries	\$1,554,734	\$1,662,351	7%	1%
	No. of Employees	13	9	-31%	-5%
Associate Dean	Salaries	\$1,730,232	\$2,484,917	44%	5%
	No. of Employees	18	20	11%	2%
Assistant Dean	Salaries	\$151,935	\$1,040,565	585%	32%
	No. of Employees	3	9	200%	17%
Chair	Salaries	\$3,015,644	\$5,186,292	72%	8%
	No. of Employees	32	43	34%	4%

In this brief report we will not undertake a detailed analysis of the above table, although the reader is invited to do so, for any particular comparisons that may be of interest. (In doing so, remember from Table 1 that aggregate faculty salary increases over this period were 6.4% per year, and the growth of faculty numbers was 5.0% per year.) We will only note that the largest increases in expenditures were in the categories of Assistant Deans (32% per year), Assistant Vice Presidents (17% per year), Directors and Assistant Directors (13% per year), Associate

Directors (11% per year), Associate Provosts (10% per year), Chairs (8% per year), and the President (8% per year).

Growth in Individual Salaries

So far in this report we have generally used aggregated, or summed, salary data. It may be of interest to look at individual salary increases in this period. For that reason, we also calculated the average salary increases of individuals in the various administrative categories in the 2001-02 to 2008-09 period. Table 6 shows the results.

Table 6
High Level Administrative Salaries (Individual) by Category at FAU, 2001-2002 and 2008-2009

	2001-2002	2008-2009	Percent Growth 01-02 to 08-09	Avg Yearly % Growth 01-02 to 08-09
President	\$191,500	\$324,938	70%	8%
Vice President	\$116,522	\$168,754	45%	5%
Associate Vice President	\$92,889	\$133,615	44%	5%
Assistant Vice President	\$79,410	\$103,365	30%	4%
Provost	\$129,386	\$260,081	101%	10%
Associate Provost	\$125,728	\$143,417	14%	2%
General Counsel	\$118,500	\$176,205	49%	6%
Associate General Counsel	\$83,769	\$129,742	55%	6%
Dean	\$119,595	\$184,706	54%	6%
Associate Dean	\$96,124	\$124,246	29%	4%
Assistant Dean	\$50,645	\$115,618	128%	13%
Director	\$66,167	\$89,216	35%	4%
Associate Director	\$56,561	\$62,718	11%	1%
Assistant Director	\$44,234	\$52,483	19%	2%
Executive Assistant	\$60,744	\$84,585	39%	5%
Chair	\$94,239	\$120,611	28%	4%

From this table, it is apparent that individual salaries have been increasing most rapidly for Assistant Deans (13% a year), the Provost (10% a year), and the President (8% a year).

Comparative Growth in Tuition and Fee Revenues, Administrative Salaries, and Faculty Salaries

A final way to analyze the data from Table 1 is to compare the growth in student tuition and fee revenues with the growth in faculty and administrative salaries. We analyzed the relative growth of student expenditures and faculty and administrative salaries and found that faculty salary growth is lagging greatly behind the growth of both tuition and fees and administrative salaries.

While student costs and administrative salaries grew by more than 80% in the 2001-02 to 2008-09 period, faculty salaries grew by less than 50%. Table 7 shows the details.

Table 7
Comparative Growth of Tuition/Fees, Administrative Salaries, and Faculty Salaries
(Dollar amount in 1,000s)

	2001-02	2008-09	% Growth
Tuition and Fees	\$45,682	\$82,449	80%
Administrative Salaries	\$18,206	\$33,019	81%
Faculty Salaries	\$39,215	\$58,412	49%

Thus, an increasing proportion of the students' tuition and fees is being diverted from their teachers toward administrative "overhang."

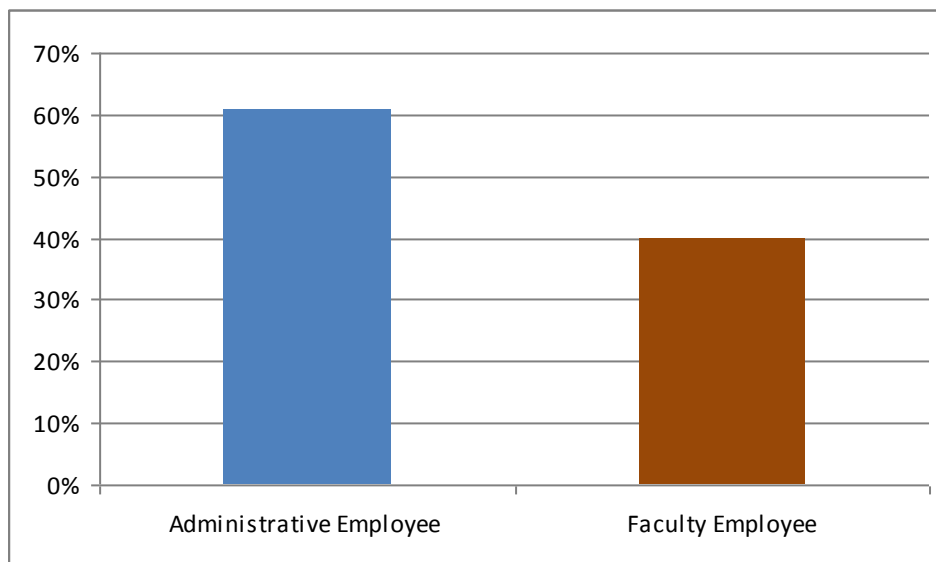
Conclusions

FAU's priorities can be measured by its commitment of resources. Resource commitments can be determined by how it allocates personnel and monetary resources. The data in this report provide quantitative measures of FAU priorities and resource allocation.

Growth in Numbers of Different Types of Employees

Judging by its relative growth in the number of administrative and faculty employees, **the university's commitments are to administrative overhead, not the faculty who are the core of the university's mission of providing teaching, research, and service to FAU students and the community.** In the years from 2001-02 to 2008-09, the number of FAU Faculty increased by 40.3%, while the number of administrators increased by 61%. Figure 1 shows the changes over those years.

Figure 1
Increase Rate of Number of Faculty and High Level Administrative Employees, 2001-2002 to 2008-2009

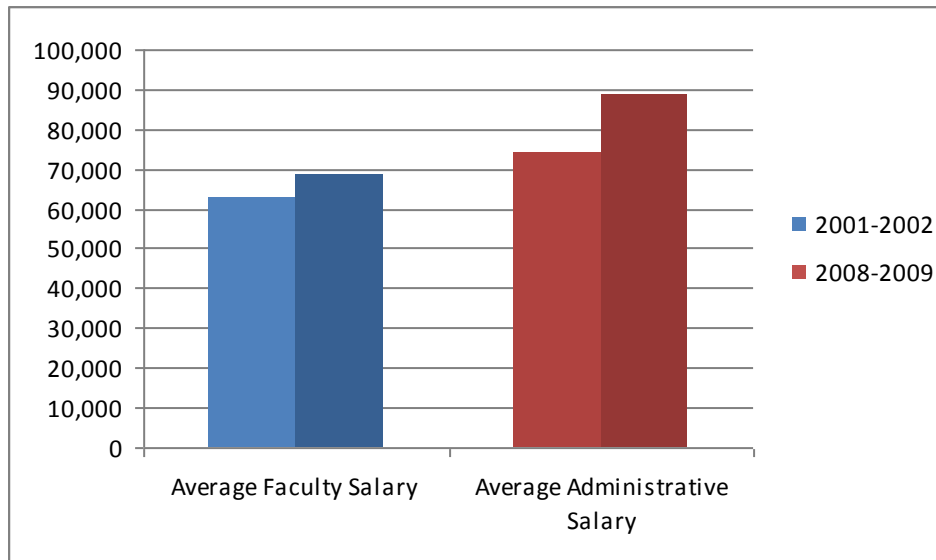


In that seven year period, the ratio of administrators to faculty increased by almost twenty five percent, from 46.4% to 57.9%. The larger size of the blue bar than the dark red bar in the above figure visually shows this change.

Growth in Salaries of Different Types of Employees

Judging by the relative growth of salaries of administrators and faculty during the same period of time, the same priorities are apparent. This was clear in the aggregate salary data for the two categories of employees in the tables above. It is equally true when we look at the average salary of individual faculty and individual administrators. **From the 2001-02 to the 2008-09 academic year, average individual salaries for administrators rose at almost double the rate of increase in average individual faculty salaries (up 19.5% for administrators vs. up 9.9% for faculty).** In 2001-02 the average faculty salary was \$62,744; in seven years it rose only 9.9% to \$68,982. During the same period, the average administrator's salary rose 19.5% from \$74,615 to \$89,193. Figure 2 shows the differential growth rate.

Figure 2
Average Salary of Faculty and High Level Administrative 2001-2002 and 2008-2009



Relative Growth in Tuition and Fees, Administrative Salaries, and Faculty Salaries

Finally, a comparison in the growth rate of tuition and fees with the growth rate of administrative and faculty salaries shows that administrative salaries actually grew at a slightly faster rate than tuition and fees, while the growth rate of faculty salaries lagged far behind. **While student costs went up 80% between 2001-02 and 2008-09, administrators' salaries climbed by 81% and faculty salaries grew by only 49%.** Figure 3 shows this difference graphically.

Figure 3
Growth in Tuition Income Relative to Faculty & High Level Administrator Salaries
2001-2002 to 2008-2009

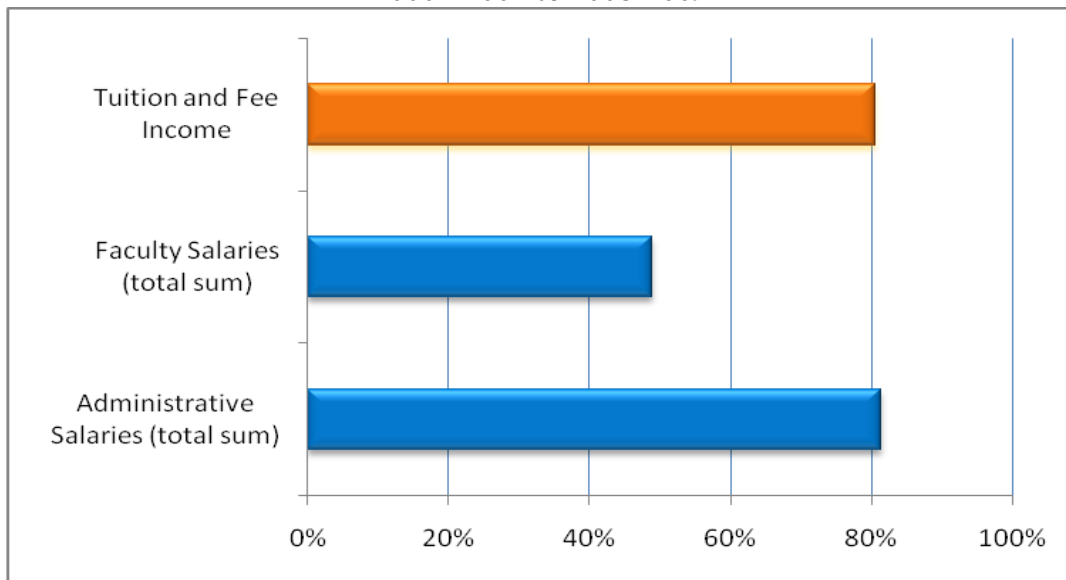


Figure 3 again shows that faculty salaries are a lower priority than administrative salaries, just as they are the disfavored group when it comes to adding new employees.

If relative salary increases and relative growth in employment are accurate indicators of organizational priorities, the only conclusion that can be drawn from the above figures is that the FAU administration values its own numerical and compensation growth more highly than it values growing the ranks or compensation of its faculty.