

Where Does the Money Go? FIU Expenditures on Faculty and Higher Level Administration in the Period from 2002-03 to 2005-06

By Bruce Nissen and Yue Zhang

April 2007

Research Institute on Social and Economic Policy
Center for Labor Research and Studies
Florida International University
Miami, FL 33199

Where Does the Money Go? FIU Expenditures on Faculty and Higher Level Administration in the Period from 2002-03 to 2005-06*

Bruce Nissen and Yue Zhang
Research Institute on Social and Economic Policy
Center for Labor Research and Studies
Florida International University

In September 2004 one of the authors of this report produced a report analyzing budgetary and personnel changes at Florida International University in the five year period from the 1997-1998 budget year to the 2002-2003 budget year.¹ That report revealed that Florida International University had been shifting personnel and resources away from the faculty who do the teaching, research and service that constitute the university's mission and toward administrative functions. The university had been reducing the number of faculty and increasing the faculty's teaching workload. Administrative salaries, especially top administrative salaries, were found to be increasing at a much faster rate than the rate of increase in faculty salaries. The growth in both the number of full time students and university income from tuition and fees in that period far exceeded the growth in faculty numbers or salaries; yet they fell far short of the increase in administrative numbers and salaries.

This report updates the earlier one to the period between 2002-03 and 2005-06. We examine the same questions and note trends in the later period. Overall, we see the same trends continuing, as documented below.

Key Findings of this Report

FIU priorities are shown by the way it allocates personnel, monetary resources, and workload burdens. The data in this report provide quantitative measures of FIU priorities and resource allocation.

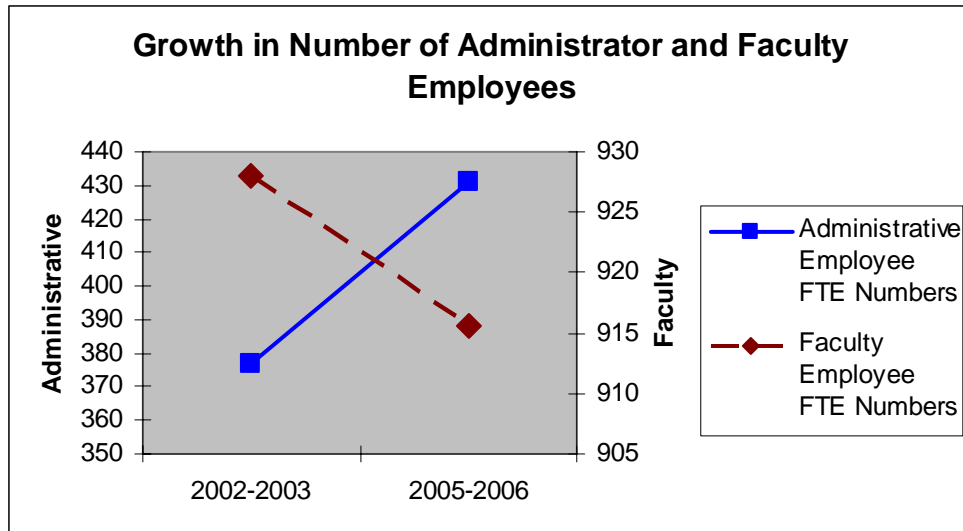
Growth in Numbers of Different Types of Employees

Judging by its relative growth in the number of administrator 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 FIU students and the community.** In the years from 2002-03 to 2005-06, the FIU Faculty declined by 1.3% (12.43 positions), while the number of administrators increased by 14.3% (54 positions). Figure 1 shows the changes over those years.

* Thanks to the United Faculty of Florida, FIU 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.

¹ That report, *Florida International University Priorities in the 1997-19989 to 2002-2003 Period: a Budget and Personnel Analysis*, is available on the web at: <http://www.risep-fiu.org/reports/FIUpriorities.pdf>.

Figure 1



In that short three year period, the ratio of administrators to faculty increased by six and a half percent, from 40.6% to 47.1%.

Growth in Salaries of Different Types of Employees

Judging by the relative growth of salaries compared to increases in tuition and fee income, the same priorities are apparent. **The university has been collecting income from students at approximately 10% more each year** in the period from 2002-03 to 2005-06, but **faculty salaries have been increasing less than 4% per year** in the same time segment. **Total administrative salaries have been growing at an 82% faster rate than total faculty salaries.** Figure 2 graphically shows the relative rise in tuition and fee income, administrative salaries and faculty salaries.

Figure 2

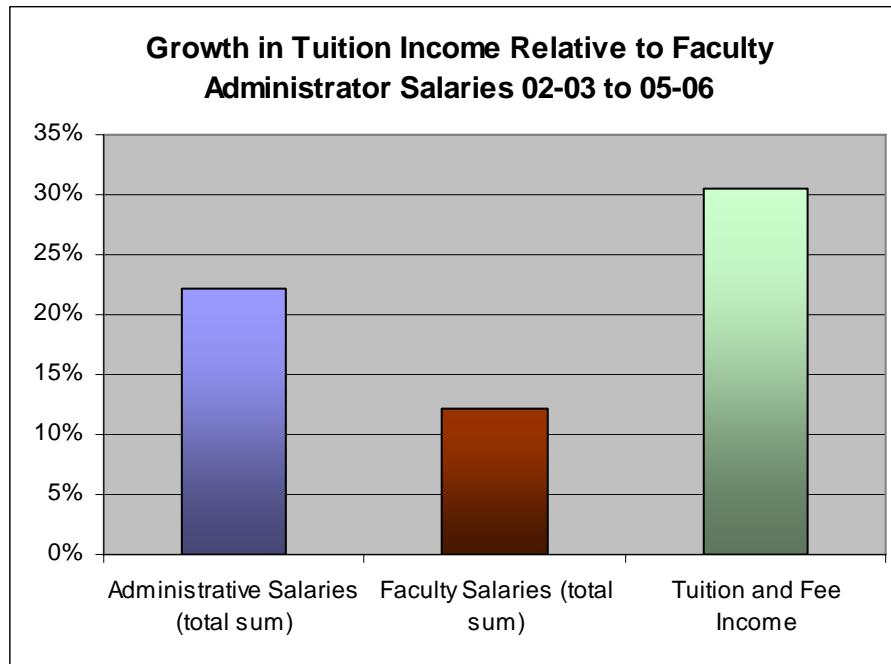
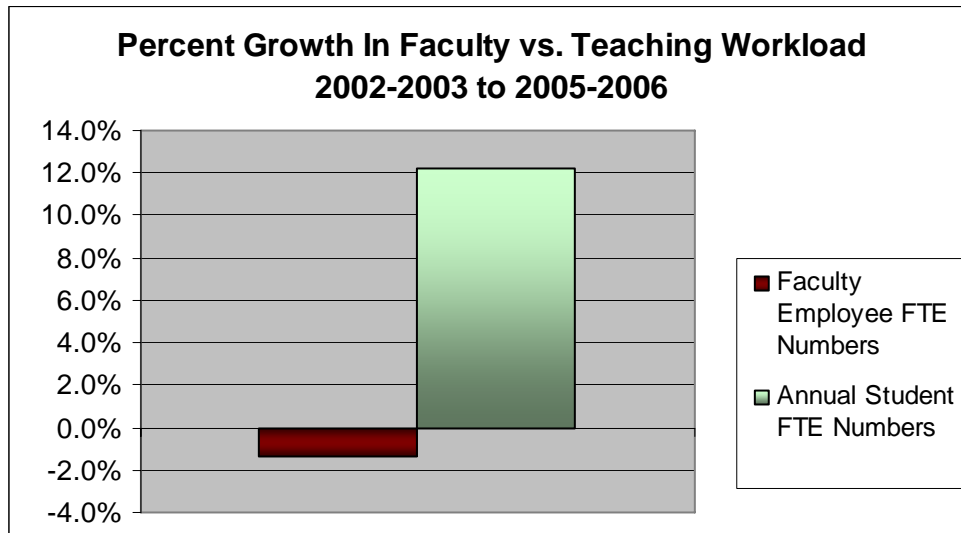


Figure 2 shows that faculty salaries are a lower priority than administrative salaries, following a similar trend in comparative numbers of employees in each category.

Changes in Teaching Workload Burden

While FIU faculty have seen their numbers and salaries drop compared to administrative numbers and salaries, they have seen the teaching workload increase. In the period from 2002-03 to 2005-06, an **increase in FTE student numbers of over 12.2% coupled with a reduction in faculty number by 1.3% led to a 13.8% increase in faculty teaching loads** (assuming ratios of full-time to adjunct faculty remained constant). Figure 3 graphically shows the comparison of FTE student growth to FTE faculty change.

Figure 3

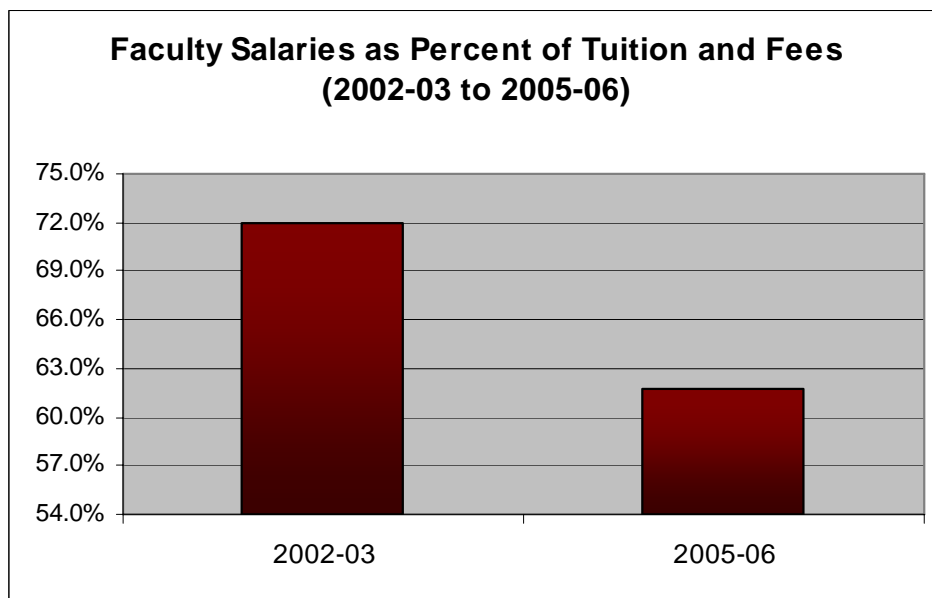


A shrinking number of faculty are expected to teach a growing number of students.

Allocation of Tuition and Fees in Relation to Faculty Salaries

A decreasing percentage of the tuition and fees the university collects is being devoted to faculty salaries. In the years between 2002-03 and 2005-06, the **percentage declined by over 10%**. Figure 4 graphically shows the drop.

Figure 4



Summation of Findings

An institution's true priorities are best known through its allocation of resources, both human and monetary, and its distribution of burdens. An analysis of FIU's changes on these measures in the 2002-03 to 2005-06 years show **priorities favoring administrators at the expense of faculty** on all these measures. **Students are being asked to provide ever greater amounts of money to be educated by a faculty that is both stretched ever-more thinly and provided relatively fewer of the institution's resources.**

Methodology of this Report

This report is derived from an analysis of publicly available figures on Florida International University's budget. Three sources were used to gather figures. Numbers and salaries of faculty were provided to us by the UFF-FIU chapter in electronic form. This was data provided to them by the university. Numbers and salaries of administrators were obtained from the FIU Operating Budget in the FIU Green Library special collection department. Student data on FTEs and tuition were obtained from the FIU website. Particular sources for any data beyond these general sources are given in the individual tables.

"Faculty" are defined as those within the collective bargaining unit of the United Faculty of Florida, the faculty's recognized collective bargaining agent. This unit comprises virtually all of 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 higher rank within the university. The following categories are included: President, Provost, Vice President, Vice Provost, Associate Vice President, Assistant Vice President, President or Vice President of Academic Affairs, Executive Assistant, General Counsel, Associate General Counsel, Dean, Associate Dean, Assistant Dean, Director, Director of University Libraries, School Director, Associate Director, Assistant Director, or Assistant Director of University Libraries.

An Overview: the Numbers

Table 1 gives a comprehensive summary of (1) the growth of administrator salaries and numbers, (2) the growth or shrinkage of faculty salaries and numbers, and (3) the growth of student tuition and fees and student numbers. The changes in both the eight year period between 1996-97 and 2005-06 and the three year period between 2002-03 and 2005-06 are recorded.

Table 1
Administrative and Faculty Numbers and Salaries and Student FTEs and Tuition and Fees
at FIU, 1997-98, 2002-03, and 2005-06

	1997-1998	2002-2003	2005-2006	Percent Growth 97-98 to 05-06	Average Yearly Percent Growth	Percent Growth 02-03 to 05-06	Average Yearly Percent Growth
Administrative Salaries (total sum)	\$16,167,590	\$31,081,820	\$37,986,428	135.0%	11.3%	22.2%	6.9%
Administrative Employee FTE Numbers	239	377	431	80.3%	7.6%	14.3%	4.6%
Faculty Salaries (total sum)	\$49,499,965	\$56,864,323	\$63,750,092	28.8%	3.2%	12.1%	3.9%
Faculty Employee FTE Numbers	989	928	915.57	-7.4%	-1.0%	-1.3%	-0.4%
Tuition and Fee Income*	\$56,521,000	\$79,045,595	\$103,200,000	82.6%	7.8%	30.6%	9.3%
Annual Student FTE Numbers*	16,824	20,776	23,309.85	38.6%	4.2%	12.2%	3.9%

*Student data: <http://w3.fiu.edu/irdata/portal/reports.asp>

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 2002-03 and 2005-06:

Average annual growth rate of administrative salaries: 6.9%
Average annual growth rate of faculty salaries: 3.9%

Second, we 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: 4.6%
Average annual growth rate of number of faculty: -0.4%

Bringing in student figures, we can compare the growth in the number of student FTEs to the growth rates of both administrators and faculty:

Average annual growth rate of number of administrators: 4.6%
Average annual growth rate of number of faculty: -0.4%
Average annual growth rate of student FTEs: 3.9%

Student tuition and fees can also be related to salary data. We compare growth of student costs with the growth of salaries for administrators and faculty:

Average annual growth rate of <u>administrative salaries</u>:	6.9%
Average annual growth rate of <u>faculty salaries</u>:	3.9%
Average annual growth of <u>student tuition and fees</u>:	9.3%

No matter which of these comparisons are made, a shift in priorities is evident. **More money is being taken from students, relatively less money is being allocated to faculty, and relatively more money is being devoted to administrative overhead. The priorities privilege administration and shortchange faculty and students. Tuition and fees are rising at about two and half times the rate of faculty salaries, and administrative salaries are rising at an 82% higher rate than faculty salaries. The number of faculty is actually shrinking while the teaching workload (indicated by FTEs) is increasing. Yet the number of administrators continues to grow yearly.**

Analysis of Trends

The diversion of salary resources to the administrative function is primarily due to an increase in the number of administrators. Between 2002-03 and 2005-06, the number of administrators jumped 14.6% while the number of faculty decreased 1.3%. However, the individual salaries for administrative positions grew very little in that same period for a number of reasons. First, there was a very high turnover in the persons filling these administration positions, often resulting in a lower entry level salary replacing a higher salary of a long term incumbent. In the three years between 2002-03 and 2005-06, administrative turnover (including moving from one position to another) was 55% of the 2005-06 positions, while faculty turnover (including moving into and out of chair positions) was 31% in the same period. Another factor keeping the diversion of resources to the administration from being even larger is that much of the growth in administrator numbers was in positions primarily at the lower end of the administrative salary structure. Of the fifty five new administration positions added between 2002-03 and 2005-06, twenty eight were at the positions of “director” and “assistant director,” with average salaries of approximately \$89,900 and \$58,290. The average (mean) salary in 2005-06 for faculty as a whole was \$69,629.

Detailed Breakdown of Administration Salaries and Numbers

A more detailed breakdown of the changes in administrative position salaries and numbers is given in Table 2. 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 2
Administrative Salaries (summed) by Category, 1997-98, 2002-03, and 2005-06

		1997-1998 Total	2002-2003 Total	2005-2006 Total	% Growth 97-98 to 05-06	Avg. Yearly % Growth	% Growth 02-03 to 05-06	Avg. Yearly % Growth
President	Salary	\$168,956	\$285,000	\$315,000	86.4%	8.1%	10.5%	3.4%
Vice Presidents	Salaries	\$652,649	\$1,193,528	\$1,209,639	85.3%	8.0%	1.3%	0.4%
	Number	5	7	7	40.0%	4.3%	0.0%	0.0%
Associate Vice Presidents	Salaries	\$272,084	\$502,742	\$1,731,508	536.4%	26.0%	244.4%	51.0%
	Number	3	4	14	366.7%	21.2%	250.0%	51.8%
Assistant Vice Presidents	Salaries	\$334,676	\$701,136	\$765,686	128.8%	10.9%	9.2%	3.0%
	Number	5	7	7	40.0%	4.3%	0.0%	0.0%
General Counsel	Salary	\$128,475	\$160,000	\$180,000	40.1%	4.3%	12.5%	4.0%
Associate General Counsel	Salaries	\$88,904	\$220,200	\$380,120	327.6%	19.9%	72.6%	20.0%
	Number	1	2	3	200.0%	14.7%	50.0%	14.5%
Provost	Salary	\$154,170	\$230,000	\$235,000	52.4%	5.4%	2.2%	0.7%
Associate Provost	Salary	\$124,998	N/A	\$225,000	80.0%	7.6%	N/A	N/A
Assistant Provost	Salary	N/A	N/A	\$65,676	N/A	N/A	N/A	N/A
Vice Provosts	Salaries	\$586,560	\$888,082	\$1,042,143	77.7%	7.4%	17.3%	5.5%
	Number	5	6	7	40.0%	4.3%	16.7%	5.3%
Executive Assistants	Salaries	\$154,922	\$259,562	\$220,826	42.5%	4.5%	-14.9%	-5.2%
	Number	3	4	4	33.3%	3.7%	0.0%	0.0%
Directors (including Program Director)*	Salaries	\$4,956,777	\$10,246,527	\$12,406,126	150.3%	12.2%	21.1%	6.6%
	Number	68	118	138	102.9%	9.2%	16.9%	5.4%
Associate Directors	Salaries	\$2,492,320	\$5,488,104	\$5,858,848	135.1%	11.3%	6.8%	2.2%
	Number	48	83	83	72.9%	7.1%	0.0%	0.0%
Assistant Directors	Salaries	\$2,509,604	\$5,673,786	\$6,295,209	150.8%	12.2%	11.0%	3.5%
	Number	58	100	108	86.2%	8.1%	8.0%	2.6%
Directors, University Libraries	Salaries	\$86,334	\$242,089	\$274,416	217.9%	15.6%	13.4%	4.3%
	Number	1	2	2	100.0%	9.1%	0.0%	0.0%
Asst/Assoc Dir., Univ. Libraries **	Salaries	\$178,796	N/A	\$279,367	56.2%	5.7%	N/A	N/A
	Number	3	N/A	3	0.0%	0.0%	N/A	N/A
Deans	Salaries	\$1,340,930	\$1,934,147	\$3,178,128	137.0%	11.4%	64.3%	18.0%
	Number	11	11	18	63.6%	6.3%	63.6%	17.8%
Associate Deans	Salaries	\$1,650,605	\$2,710,477	\$2,644,047	60.2%	6.1%	-2.5%	-0.8%
	Number	18	25	23	27.8%	3.1%	-8.0%	-2.7%
Assistant Deans	Salaries	\$285,830	\$346,440	\$679,689	137.8%	11.4%	96.2%	25.2%
	Number	5	5	9	80.0%	7.6%	80.0%	21.6%

*The data for two directors are missing because of missing information in the Operating Budget.

** 1997-98: Assistant Director, university libraries; 2005-2006: Associate Director, university libraries

Table 2 should be interpreted with caution regarding the actual compensation of the highest paid administrators. For example, the salary of the FIU president is listed as \$315,000 because that is the figure given in the FIU budget, even though that is only a portion of the president's total compensation. Newspaper accounts during the 2006-07 year report President Maidique's total compensation as (depending on date and newspaper) \$542,600 or \$591,816 even though his "official" salary is in the high \$300,000s. Expense budgets, supplementary salary from the FIU Foundation, and the like alter considerably the "official budget" salaries of such highly-paid employees.

Administrative Salaries as a Percentage of Faculty Salaries

Another way to measure the shift in resources from directly productive employees (faculty) toward the "indirect" function of administering those employees is to compare total administrative salaries as a percentage of faculty salaries in an earlier and later period. Table 3 makes the comparisons for the three years 1997-98, 2002-03, and 2005-06.

Table 3
Administrative Salaries as a Percentage of Faculty Salaries

	1997-98	2002-03	2005-06
Administrative Salaries	\$16,167,590	\$31,081,820	\$37,986,428
Faculty Salaries	\$49,499,965	\$56,864,323	\$63,750,092
Administrative Salaries as % of Faculty Salaries	32.7%*	54.8%	59.6%

*Not directly comparable to later periods because chairs were included in faculty salaries. Adjustment would probably raise the percentage to the middle to upper-30s.

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.**

Increases in Faculty Teaching Workload

Apart from the rapidly growing administrative "drag" on the directly productive workforce at Florida International University, it is worth examining the conditions of the faculty who do the teaching and research that are the main mission of the university. In the eight and three year periods from 1997-98 and 2002-03 to 2005-06, the number of FIU faculty (excluding departmental chairs in all years) dropped 2.3% and 1.3% respectively. In those same periods, the number of students taught, as measured in student FTEs, increased 38.6% and 12.2% respectively. **This amounted to increases of 41.7% and 13.8% respectively in the teaching workload for an average faculty member in those eight year and three year periods.** Table 4 shows the relevant data.

Table 4
Number of FIU Faculty, Student FTEs, and Consequent Teaching Load, 1997-98, 2002-03, and 2005-06

	1997-98	2002-03	2005-06
Number of Faculty	937*	928	915.5
Number of FTE students	16,824	20,776	23,309.85
2005-06 percent change in teaching load from 1997-98	NA	NA	+41.7%
2005-06 percent change in teaching load from 2002-03	NA	NA	+13.8%

*Excludes department chairs, who were then considered “faculty” by the union for collective bargaining purposes. Department chairs are excluded to keep numbers comparable to later periods.

Table 4 indicates that the number of full-time faculty has been decreasing while the number of students has been increasing, thus causing a large increase in the teaching load. These calculations assume that the relative use of adjunct faculty by the university has held constant over these years, and therefore may overstate the size of the increase in permanent full-time faculty teaching load increases if the university has increased the use of adjuncts. (Casual observation indicates that this may be the case, and therefore the above increases in teaching load need to be reduced by an unknown amount.) However, a shift to increased use of adjunct faculty labor would merely be another indication of the university’s lack of commitment of resources to faculty, since adjuncts tend to be less permanent, grossly underpaid compared to full time permanent professional faculty, and lacking in attachment to the university.

Growth in Tuition and Fees Revenues Compared to Growth in Faculty Investment

FIU faculty are being asked to do more with an ever-shrinking percentage of the university’s resources from tuition and fees. In the three year period from 2002-03 to 2005-06, tuition and fee income rose 30.6% while the total salaries of the faculty rose just 12.1%, a rate well under half as fast. Consequently, the percentage of tuition and fees devoted to faculty salaries dropped by over 10%. Table 5 shows the comparisons.

Table 5
Growth in Tuition and Fees Compared to Faculty Salaries, 2002-03 to 2005-06

	2002-03	2005-06	% Change 2002-03 to 2005-06
Tuition and Fees	\$79,045,595	\$103,200,000	30.6%
Faculty Salaries	\$56,864,323	\$63,750,092	12.1%
Faculty Salaries as % of Tuition and Fees	71.9%	61.8%	-10.1%

Summary

The priorities of Florida International University are shown by its allocation of human and monetary resources. **In the period from 2002-03 to 2005-06 the university increased both the numbers and total salaries of administrators relative to the numbers and total salaries of faculty. Student tuition and fees have been rising at a rate of almost 10% a year, yet students are being educated by a faculty that is stretched thin and receiving an ever-shrinking percentage of the university's resources. Both faculty and students are shortchanged by the university's priorities, which are skewed toward an ever-growing body of administrators and administrative salaries.**