

The Status of Faculty Salaries and Benefits at Missouri State University 2020

AN ANNUAL REPORT FROM THE COMMITTEE ON FACULTY BENEFITS

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Executive Summary

This report is the fourth report of the Faculty Senate Committee on Faculty Benefits. The committee offers the following brief executive summary:

- MSU faculty salaries compared to other Missouri public universities and a subset of MSU's peer universities tend to be smaller on average. Although, MSU salaries have tended to grow faster since 2004/2005 compared to regional Missouri universities, when compared to our peer institutions and MU Columbia, MSU salaries have generally grown at slower rates during that same time period (2004/2005). Growth in the other MU system schools is comparable to growth over this time period to growth in MSU faculty salaries.
- MSU faculty salaries declined over the last year of data available in the report. This is in contrast to the MU system universities and our peer institutions, which experienced strong growth in faculty salaries over the past year.
- According to the latest (2019) Committee on Faculty Concerns Report on the Faculty Morale Survey, MSU faculty's satisfaction with benefits at MSU has worsened over time, especially since the previous morale survey in 2016. Particular areas of concern are the health plan, the dental plan, Foster Recreation Center, and tuition reimbursement.
- MSU offers a wide variety of benefits that are mostly similar to benefits provided at other Missouri public universities and MSU's peer universities. There remain a significant number of differences in the details of those benefits especially with respect to health insurance and retirement benefits.
- MSU faculty expressed concerns about dental benefits, which have not changed at all since their inception in September 1988. MSU faculty also expressed concern about discrimination against faculty in awarding equity adjustments and in the size of those equity adjustments especially as compared to administrators.

Purpose

The purpose of the Committee on Faculty Benefits is to maintain communication with personnel in the Office of Human Resources concerning current faculty benefits.

The Committee will prepare an annual report on the status of faculty benefits, to be submitted to the Faculty Senate during the Spring semester and presented no later than the April Session, that includes:

- A comparative review of benefits provided or available to faculty at MSU and benefits offered to faculty at other state and peer institutions.
- A review of data from the Faculty Concerns survey addressing satisfaction with faculty benefits.
- A summary of feedback solicited from the faculty about current and desired benefits.
- A list of Committee recommendations, if any.

Faculty Salaries

Table 1 through 5 in the appendix contains the data regarding faculty salaries at MSU compared to faculty salaries at other universities, both those within the state and those who are considered peers by MSU. For a discussion of peer institutions, see the President's web site:

<http://www.missouristate.edu/President/peergroup.htm>, which identifies members of the Coalition of Urban and Metropolitan Universities (CUMU) as a peer group. More than 50 universities are a member of CUMU, so the committee chose a subset of CUMU to gather data on outside Missouri.

Table 1 contains average 9 month salaries for MSU, other public institutions in Missouri, and the subset of CUMU peers in 2004/2005; Tables 2 and 3 contains the same data for 2016/2017 (our last report) and 2017/2018 which is the most recent academic year for which data is available. Finally, Tables 4 and 5 present percentage changes in faculty salaries over the entire time period and over the year from our last report.

Notice that data is presented overall and by rank for each university. The following are the main findings from this data:

- MSU faculty salaries compared to other Missouri public universities and a subset of MSU's peer universities tend to be smaller on average. Although, MSU salaries have tended to grow faster since 2004/2005 compared to regional Missouri universities, when compared to our peer institutions and MU Columbia, MSU salaries have generally grown

at slower rates during that same time period (2004/2005). Growth in the other MU system schools is comparable to growth over this time period in MSU faculty salaries.

- MSU faculty salaries declined over the last year of data available in the report. This is in contrast to the MU system universities and our peer institutions, which experienced strong growth in faculty salaries over the past year.
- According to the Committee on Faculty Concerns Report on the Faculty Morale Survey, MSU faculty's satisfaction with benefits at MSU has worsened over time, especially since the last morale survey in 2016. Particular areas of concern are the health plan, the dental plan, Foster Recreation Center, and tuition reimbursement.
- MSU offers a wide variety of benefits that are mostly similar to benefits provided at other Missouri public universities and MSU's peer universities. There remain a significant number of differences in the details of those benefits especially with respect to health insurance and retirement benefits.
- MSU faculty expressed concerns about dental benefits, which have not changed at all since their inception in September 1988. MSU faculty also expressed concern about discrimination against faculty in awarding equity adjustments and in the size of those equity adjustments especially as compared to administrators.

Thus, it is fair to say both that MSU tends to continue to have lower salaries compared to our peers and other Missouri universities and that we have moved further away from equity in the past year. We noted in our report last year that this possibility seemed likely given the data then without positive changes to the commitment to faculty salaries by MSU's administration. Given that these changes occurred during good budgetary times, we suspect that the future looks even bleaker.

Satisfaction with Faculty Benefits and Salary

As noted in the executive summary, the last Faculty Morale Survey was presented by the Faculty Concerns Committee in the March 2019 session of the faculty senate. The Committee on Benefits previously reported on these results in our last report. Because no additional Morale Survey was conducted this year, we simply present the same results and the same discussion from the 2019 report on the Morale Survey.

Table 6 presents selected (relevant) results from the 2018 Faculty Morale Survey. The questions included relate either to faculty salaries or to faculty benefits. Note that the Morale Survey is only conducted every other year meaning that the data we present here is the same as the data presented in last year's report (as is the following commentary).

Quoting from the 2016 report from the Faculty Concerns Committee on the morale survey:

“While faculty generally scored their MSU benefits as between “neutral” and “somewhat satisfied”, the ratings in all benefit categories in 2016 were all lower than those from 2014 with the exception of vision benefits as this is a new for MSU employees and there is no basis for comparison.”

Hence, faculty satisfaction with benefits generally are lukewarm and worsening over time. Notice that this trend of worsening satisfaction with benefits increased even further in the 2018 report, with faculty satisfaction for every type of faculty benefit being lower in the 2018 survey.

Finally, notice in Table 6 that there exists a fair amount of dissatisfaction by faculty regarding salaries. Unfortunately, the Faculty Concerns Committee deleted some of the questions related to salaries that had been present in earlier years of the survey. That makes it more difficult to examine faculty attitudes towards salaries. However, Table 6 illustrates that faculty generally think that faculty salaries are below those of peer institutions (which is correct according to Tables 1 through 5). Likewise, faculty do not believe that future salary prospect are positive. In fact, the Faculty Concerns Committee in its 2018 report notes that: “perhaps the most prominent result of the survey is evidence of faculty discouragement with regard to compensation.”

Benefits Review

The remaining tables in the appendix present data regarding the charge to the committee to review the benefits “provided or available to faculty at MSU and benefits offered to faculty at other state and peer institutions.” Table 7 summarizes the types of benefits available at MSU and the comparison universities. Table 7 illustrates that MSU has most of the types of benefits provided at other universities in the study. This included the addition of family leave that was added to benefits at MSU this past year.

Table 8 presents the major current benefits available at MSU. The previous section illustrated an increasing dissatisfaction with benefits at MSU over previous years. That is not particularly surprising as MSU substantially changed their health benefits in the Fall of 2018. The changes included (1) a significant increase in premiums, (2) a significant decrease in benefits, and (3) for the first time a choice in the type of plans employees could choose. Such significant changes to health care benefits were not found in most of the other university health benefits.

One of the main issues that the committee sees in reviewing the data in Tables 8 through 24 regards retirement plans. It is common for universities to offer both defined contribution and defined benefit retirement plans. Notice that the other regional schools in Missouri have the same retirement choices as does MSU although the University of Missouri has a different retirement system. Missouri, the state of Missouri retirement system does not compare favorably

to retirement plans available at other institutions (outside of the regional institutions in Missouri that have the same system as MSU.)

Feedback from Faculty

The Committee on Faculty Benefits worked with others to create a webpage that explained the committee's purpose. The webpage also has a form that faculty can fill out if they have concerns related to faculty benefits. The form is anonymous although some faculty have added their names to their comment.

We received fewer comments from faculty this year than we had in the previous reports. One of the major complaints we received about benefits regarded the inadequacy of dental benefits at MSU especially as it relates to the coverage of orthodontia services and the annual maximum coverage. The committee found after investigation that MSU's dental plan has not changed since its inception in September of 1988. This is especially problematic especially with respect to the annual maximum payment of \$1,000. Most other plans for universities in the appendix have larger maximum payments and cover orthodontia. The committee notes that since 1988 prices in general have risen 113 percent and dental prices specifically have risen 265 percent.

The other major concern conveyed to the committee regarded salaries and especially how equity adjustments are awarded. The main concern is that faculty are systematically being discriminated against especially as compared to administrators. This was a long discussion on the informal MSU discussion group UDIG. The data presented on UDIG tended to show that administrators tended to be more likely to receive an equity adjustment and to receive a larger equity adjustment. The committee investigated this issue and while the data is not quite as stark as was presented there, there exists fairly strong evidence that this concern of discrimination against faculty and in favor of administrators is accurate.

Moreover, as the committee investigated the issue it became clear that there are two main culprits in this discrimination (besides the underlying prejudice against faculty). First, the process by which equity adjustments are awarded rely solely upon the discretion of individual Deans. Second, the pool of money available for equity adjustments is the same pool for both administrators and faculty. Thus, Deans may and often do award equity adjustments to administrators out of a pool of money generated by faculty (e.g., through salary savings by not replacing faculty positions.) To fix the inherent problem of inequitable awards of equity raises, both of these issues will need to be addressed.

Committee Recommendations

Based upon the data gathered by the committee and presented in this report, the Faculty Senate Benefits Committee presents the following Resolutions and Senate Actions for consideration by the Faculty Senate:

Faculty Senate Action

Whereas, the Faculty Morale Survey continues to indicate poor faculty morale related to all of the measures of salary and,

Whereas, MSU salaries continue to significantly lag behind salaries at our peer universities and

Whereas, MSU salaries continue to significantly lag behind salaries at the University of Missouri campuses and

Whereas, MSU salaries actually dropped in the most recent year in data presented in our report in all but one of the faculty ranks, and

Whereas, MSU has not given faculty merit raises as required in the faculty handbook since before President Smart's tenure, and

Whereas, MSU's Faculty Handbook requires that only up to a 2 percent across the board raise can be given to faculty that is not merit based, and

Whereas, the data presented in this report indicates that the combined inability to give across the board raises above 2% and the unwillingness of the MSU administration to give merit raises is primarily responsible for the lagging faculty salaries noted above, therefore

Be it Resolved that the Faculty Senate Executive Committee will exert its influence with the Faculty Handbook Revision Committee to make appropriate changes to the Faculty Handbook.

Be it further Resolved that the MSU administration must be willing to actually give merit raises as long as merit raises remain in the Faculty Handbook.

Faculty Senate Action

Whereas, data indicates that administrators are both more likely to receive equity adjustments and also receive larger adjustments and

Whereas, the process by which equity adjustments are given rely solely upon the discretion of Deans (see Faculty Handbook section 5.2), and

Whereas, faculty members have expressed concern about both the inequitable outcomes of equity adjustments between faculty and administrators and the process by which equity adjustments are awarded and

Whereas, MSU has also failed to make adequate progress in meeting its goal of “raising salaries such that average salaries by rank will equal or exceed averages published in the CUPA-C National Faculty Survey of public – master’s level universities” and

Whereas, MSU administrators generally have salaries that exceed published averages as compared to similar CUPA averages for administrators, therefore

Be it Resolved that salary and equity adjustments for faculty and administrators will no longer be drawn from the same pool of money available for raises. Rather, the total money allocated for raises and especially equity adjustments will be split into separate pools for faculty and administrators based upon their proportion of the total salary budget at MSU or at the appropriate cost center.

This would imply, for example, that if \$1 million dollars were allocated for salary and equity adjustments and faculty salaries represented 55 percent of the salary budget while administrators’ salaries represented 8 percent of the salary budget in a cost center. The total money available for faculty raises and equity adjustments would equal \$550,000 while the total money available for administrator raises and equity adjustments would equal \$80,000.

Be it Further Resolved that College Deans will no longer have sole decision-making ability as to the allocation of equity adjustments within their college. Rather, the College personnel committee will weigh in with recommendations of all equity adjustments including for both faculty and administrators.

Faculty Senate Resolution

Whereas, the Faculty Senate Committee on Benefits has now presented 4 annual reports to the Faculty Senate and

Whereas, this time period is sufficient to gather information about how well the process is working and

Whereas, one of the main charges of the Committee on Benefits is to gather information on benefits at other universities for comparison to MSU benefits and

Whereas, after 4 years it has become apparent that benefits at universities tend to change slowly over time and

Whereas, another of the main charges of the Committee on Benefits is to present evidence from the Faculty Morale Survey related to salaries and benefits and

Whereas, the Faculty Morale Survey is only conducted every other year, therefore

Be it Resolved that the Faculty Senate Executive Committee charge the Rules Committee to make appropriate changes to the charges of the Committee on Benefits, especially in reducing how often the Committee on Benefits is charged to present a report on comparative benefits at other universities and on results from the Faculty Morale Survey.

Faculty Senate Action

Whereas, dental benefits at MSU have not changed since dental benefits were first offered in September of 1988 and

Whereas, faculty have expressed concerns to the Committee on Benefits regarding this eroding value of the dental benefits especially as it relates to the \$1,000 maximum payment of dental benefits and

Whereas, the CPI-U has increased by approximately 113 percent since 1988 and

Whereas, dental prices have increased by approximately 265 percent since 1988 and

Whereas, most of the universities dental plans presented in the appendix have significantly better dental benefits especially as it relates to the \$1,000 maximum annual payments of dental benefits as well as the coverage of orthodontia and

Whereas, faculty have also expressed concern about both the lack of full coverage of preventative dental services and the lack of any coverage of orthodontia and dental implants, therefore

Be it Resolved that MSU will increase the annual maximum out-of-pocket coverage from \$1,000 to \$3,000 and

Be it Further Resolved that MSU will cover preventative services at 100% with no deductible and

Be it Further Resolved that MSU will cover both orthodontia and dental implants at 50 percent with a \$50 deductible.