

**REPORT OF THE *AD HOC* SUB-COMMITTEE ON COMPENSATION,  
THE FACULTY SENATE**

*Subcommittee Members*

Professor A. Bhattacharjee, Physics & Astronomy (Chair)  
Professor R. Curto, Mathematics  
Associate Professor M. Pincus, Accounting  
Associate Professor M. Stone, Dermatology  
Professor R. Wiley, Pharmacy (President, The Faculty Senate)

**BACKGROUND**

In July, 1998, several newspaper articles reported the FY99 salary raises of senior administrators at the University of Iowa. These articles provided a list of selected senior administrators with their percentage raises and identified the administrators who received some of the highest raises (6-8%). The Office of University Relations provided explanations for some of the high raises, attributing them to "extraordinary performance."

A few of our faculty colleagues brought these newspaper articles to our attention and asked questions. Were the average raises of senior administrators significantly higher than the average 4% for faculty mandated by the General Assembly? Is "extraordinary performance" by faculty rewarded as well as it is for senior administrators? While senior administrators are paid significantly higher in recognition of their administrative talents, are their annual raises also higher than those of faculty? Is the salary gap between faculty and senior administrators increasing with time?

In response to these questions, it was determined in an Executive Session of the Faculty Council that an *ad hoc* Sub-committee on Compensation would be appointed by Professor R. Wiley, President of the Faculty Senate. The Committee was appointed (with the Members identified above) and charged with the task of looking into salary raises of senior administrators and faculty over a period of five years.

This report is an account of the findings of the Committee. The goal of this report is to present facts and thus attempt to answer some of the questions raised by our faculty colleagues.

#### DATA: SOURCE AND TYPE

Most of the data presented in this report were made available to us by the Office of the Vice President for Finance and University Services. The Office of the Provost and the Office of the Dean of the College of Liberal Arts (CLA) provided useful answers to our questions.

The information presented in this report is taken from the following sources:

1. Memoranda from 1994 through 1998, co-signed by the Provost and the Vice President for Finance and University Services, to the Deans, Directors and Departmental Executive Officers (DEOs) instructing them on salary increases.
2. A Table provided by Vice-President D. True on budgeted salaries of selected senior administrators for FY 1995-99. The selected administrators include the President, the Provost, all the Deans and Vice-Presidents, the Librarian and the General Counsel. This Table is attached to this Report as Table 1.
3. A complete packet of salary information for FY99 provided to the Board of Regents in Fall 1998.

#### FACTS DETERMINED FROM THE DATA

The Memoranda on Salary Increases (Item 1 above) from the Provost and the Vice President to the Deans, Directors and DEOs are typically written in the first week of May for salary increases the following fiscal year. These memoranda report on the salary increase funds approved by the General Assembly for faculty, professional and scientific staff as well as merit staff. They spell out several broad goals of the University in setting salary policy, and give specific directives to Deans, Directors and DEOs on the implementation of salary increments.

During FY95-98, the Office of the Provost held back a fraction of the salary increase to fund promotions and similar salary commitments. For example, of the salary increase funds of 4% in FY98, 3.625% was allocated to the collegiate units and the remaining 0.375% was held back. In FY99, in notable departure from past practice, the Office of the Provost allocated the full amount (4%) to the colleges. Each college was held responsible in FY99 for providing promotion increments and similar salary commitments (such as gender and ethnicity equity concerns, compression issues, and counter-offers). The faculty salary increases within each College were determined by the Dean, Directors and DEOs. The Office of the Provost was provided with a report on how the General Fund salary increment was deployed within each college.

We now discuss the data on senior administrator salary increments for FY95-99, calculated on the basis of the information in Table 1. In calculating these salary increments, two adjustments were made:

(i) Vice President John Colloton's salary, who has been on phased retirement (January 1, 1996) with 0% raise, was left out.

(ii) A gap in the Provost's salary for FY96 in the original Table was filled by a provisional figure of \$162,187. This figure was calculated assuming a raise of 6% which is the arithmetic mean of the Provost's raise during FY98 (5%) and FY99(7%). During FY96, Professor S. Becker served as Acting Provost when Provost Peter Nathan stepped aside, and no salary figure was supplied for this transitional year in the original Table provided us by Vice-President True.

With the figures given in Table 1 for 20 senior administrators, we calculated their average raises for each of the years FY 96 through FY 99. These are given on the first row of Table 2. In Table 2, we list for comparison the average raises of the entire University faculty (given in Table 1), as well as the average raises for the College of Liberal Arts (CLA) faculty. (The information on the CLA faculty, which was chosen as a test group, was made available to us by Dean L. Maxson.) We point out that in computing the average raises for faculty, promotional increments were not included either in Table 1 or in Table 2.

University of Iowa  
Budgeted Salaries  
FY95 - FY99

	FY95	FY96	FY97	FY98	FY99	% change FY95-FY99
Dean Gary Fethke	\$ 143,000	\$ 148,575	\$ 154,500	\$ 162,225	\$ 169,685	18.7%
Dean James McLeran	\$ 172,900	\$ 175,900	\$ 184,000	\$ 191,360	\$ 198,632	14.9%
Dean David Johnsen						
Dean Steve Yussen	\$ 126,510	\$ 131,190	\$ 136,500	\$ 141,005	\$ 141,005	11.5%
Dean Richard Miller	\$ 140,995	\$ 146,635	\$ 153,400	\$ 160,305	\$ 170,305	20.8%
Dean N. William Hines <sup>1</sup>	\$ 143,620	\$ 149,075	\$ 155,800	\$ 162,030	\$ 168,675	17.4%
Dean Judy Aikin	\$ 128,435	\$ 133,185	\$ 137,200			
Dean Linda Maxson				\$ 160,000	\$ 166,560	29.7%
Dean Robert Kelch	\$ 305,000	\$ 320,728	\$ 323,935	\$ 333,653	\$ 340,325	11.6%
Dean Geraldene Felton	\$ 124,000	\$ 128,000	\$ 131,000			
Dean Melanie Dreher				\$ 143,780	\$ 150,540	21.4%
Dean Gil Banker	\$ 168,000	\$ 176,853	\$ 184,000	\$ 191,360	\$ 199,015	18.5%
Dean Les Sims	\$ 121,050	\$ 125,890	\$ 131,400	\$ 137,425	\$ 148,420	22.6%
Dean Emmett Vaughan	\$ 131,650	\$ 136,785	\$ 142,300	\$ 147,990	\$ 154,060	17.0%
Librarian Sheila Creth	\$ 121,885	\$ 126,515	\$ 131,600	\$ 135,945	\$ 140,975	15.7%
President Mary Sue Coleman <sup>2</sup>	\$ 182,100	\$ 190,000	\$ 198,000	\$ 205,920	\$ 218,275	19.9%
X Vice President John Colloton <sup>3</sup>	\$ 258,000	\$ 258,000	\$ 258,000	\$ 258,000	\$ 258,000	0.0%
Director Ed Howell	\$ 219,000	\$ 230,000	\$ 237,000	\$ 245,295	\$ 254,187	16.1%
Vice President Phil Jones <sup>4</sup>	\$ 111,895	\$ 116,370	\$ 121,025	\$ 132,080	\$ 137,363	22.8%
Vice President Ann Rhodes	\$ 119,062	\$ 123,187	\$ 133,041	\$ 138,363	\$ 143,898	20.9%
General Counsel Mark Schantz	\$ 125,000	\$ 135,000	\$ 140,400	\$ 146,016	\$ 151,857	21.5%
Vice President David Skorton	\$ 156,045	\$ 168,793	\$ 175,545	\$ 182,570	\$ 189,875	21.7%
Vice President Doug True	\$ 120,000	\$ 130,800	\$ 145,912	\$ 154,667	\$ 167,040	39.2%
Provost Jon Whitmore <sup>5</sup>	\$ 153,007	(162,187)	\$ 172,000	\$ 180,500	\$ 193,242	26.3%
Total <sup>6</sup>	\$ 3,271,154	\$ 3,251,481	\$ 3,546,558	\$ 3,710,589	\$ 3,861,934	18.1%
Average 9 month equivalent faculty salary	\$ 74,118	\$ 77,557	\$ 80,636	\$ 83,999	\$ 87,140	17.6%
Actual average faculty salary increase		4.64%	3.97%	4.17%	3.74%	
Minimum graduate assistant salary	\$ 9,600	\$ 10,500	\$ 12,500	\$ 12,778	\$ 13,320	38.8%

<sup>1</sup> 9 month salary

<sup>2</sup> FY95 salary to match Martin Jlschke

<sup>3</sup> Annualized salary. Went from 100% time to 65% time due to phased-retirement, January 1, 1996

<sup>4</sup> Dean Jones became VP for Student Services in FY 98

<sup>5</sup> FY95 is Peter Nathan's salary as Provost

<sup>6</sup> Does not include reduction of VP Health Sciences (Salary \$210,893) and related office expense.

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TABLE 1

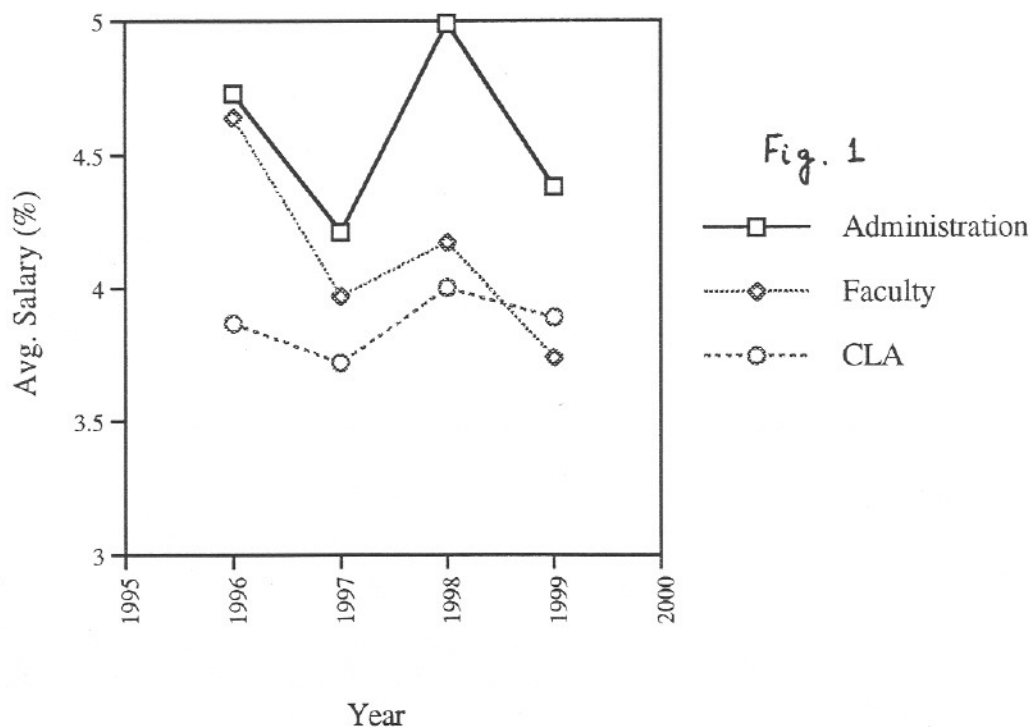
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	FY96	FY97	FY98	FY99
Senior Administrators	4.73%	4.21%	4.99%	4.38%
Faculty	4.64%	3.97%	4.17%	3.74%
CLA Faculty	3.87%	3.72%	4.00%	3.89%

**Table 2** : Average salary raises in percentage for the 20 senior administrators listed in Table 1, the entire University faculty, and the College of Liberal Arts (CLA) faculty.

We note:

- (i) In every year since FY96, the average percentage salary raises for senior administrators have been greater than those of faculty.
- (ii) The average raises for faculty vary from college to college. This is suggested by the data which indicates that the average faculty raises in the University as a whole is different from the average faculty raises in the CLA.
- (iii) In every year since FY96 except the last, the average raises of faculty for the University as a whole was larger than that of the CLA faculty. This trend is shown graphically in Figure 1.



(iv) The variations in raise within each group from the overall raise mandated by the General Assembly should not be interpreted to mean that there were deviations from the mandate. The raise for the overall faculty pool does exactly sum to the mandated amount. For example, despite the variations seen between the various groups in Table 2, the total faculty raises for FY99 do exactly add up to the 4% mandated by the General Assembly.

Although we do not attempt detailed explanations for observations (i)-(iii), we point out a few important factors:

First, inspection of Table 1 suggests that there is significant turnover in the ranks of senior administrators, and a new administrator usually comes in with a significantly higher salary than the one before in the same position. This may be perceived as a larger annual raise for a given position, but we should keep in mind that such a raise does not apply to the same administrator. Turnovers may also affect the averages for faculty. In particular, hiring junior faculty at current market salary levels may mean that the new faculty member comes in at a higher salary than the departing faculty member. This is almost certainly true if the new faculty member replaces a departing faculty member who was not promoted, or is hired at a senior level.

Second, the variations from year to year within a College or between the different colleges in any given year is, in part, due to the so-called "open lines" within each group. Open lines are positions that become available due to retirement, resignation or termination. The disbursement of the salary allocations for open lines in colleges occurs primarily at the discretion of the Dean, the Directors and/or the DEOs. In some Colleges the budget for an open line is returned to the Department or the Program, while in others they remain under the Dean's jurisdiction. There can be open lines in the pool of senior administrators, and the salary allocation for such an open line can be used at the discretion of the President and/or the Provost.

Third, the data on administrators cover only senior administrators filling the highest positions in the University. On the other hand, many faculty such as DEOs, assistant and associate deans, have significant administrative duties. These considerations make direct comparisons between administrator and faculty data somewhat difficult.

In Table 3, we report the annual raises, averaged over FY96-99, for the three groups listed in Table 2.

### Annual raise averaged over FY96-99

Senior administrators	4.58%
Faculty	4.13%
CLA Faculty	3.87%

**Table 3 :** Yearly percentage salary raises, averaged over FY96-99 for the three groups in Table 2.

We conclude this Report by addressing the question of the "salary gap" posed at the beginning of this report. In Table 4, we give absolute dollar amounts for the average salaries of the senior administrators and faculty for each of the years FY95 through FY99. The salary gap is defined as the difference in the two average salaries for each year.

	FY95	FY96	FY97	FY98	FY99
Senior Administrators	\$143,484	\$150,270	\$156,598	\$164,409	\$171,616
Faculty	\$74,118	\$77,557	\$80,636	\$83,999	\$87,140
Salary gap	\$69,366	\$72,713	\$75,962	\$80,410	\$84,476

**Table 3:** Average salaries of senior administrators and faculty for FY95-99. The salary gap is the difference between the average salaries for each year.

Figure 2 is a plot of the average salaries for the two groups for FY95-99. It is clear by inspection that the slope of the top curve (for senior administrators) is larger than the bottom curve (for faculty) which is consistent with the increase in the salary gap seen in Table 3. This salary gap is even larger if the salaries of senior administrators are compared with those of the CLA faculty.

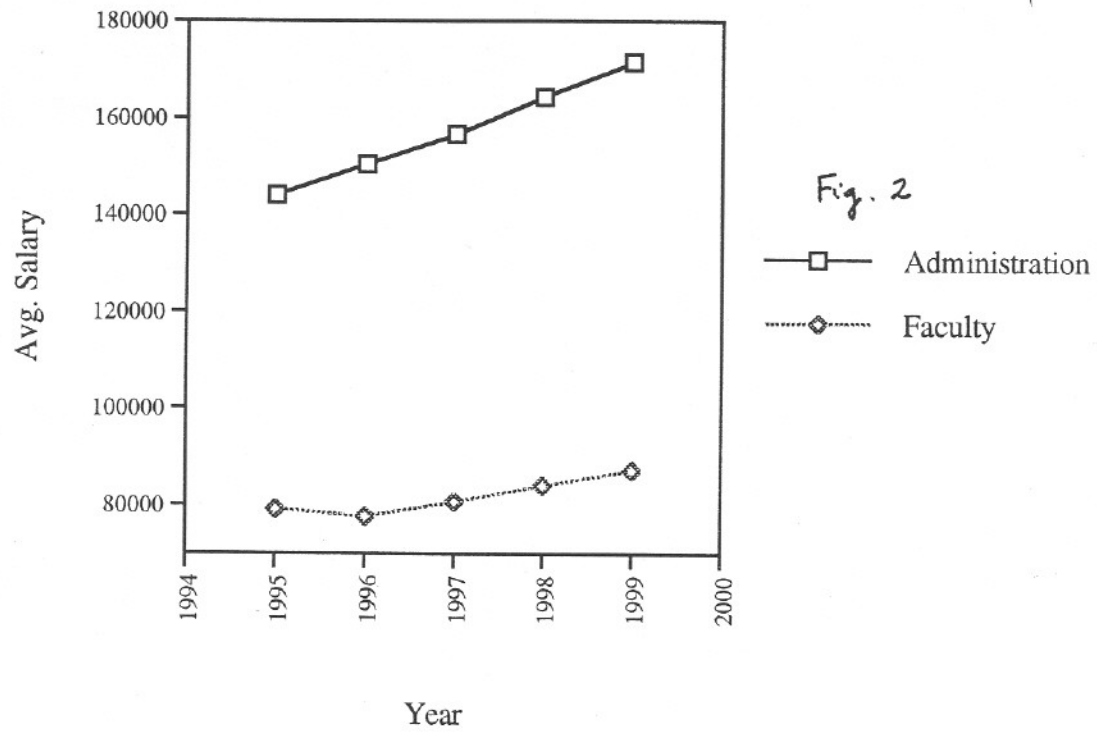


Fig. 2

—□— Administration  
- - -◇- - - Faculty