

**FACULTY BUDGET COMMITTEE
ANNUAL REPORT
2012-2013**

The Faculty Manual of the University of South Carolina-Columbia includes the following information about the Faculty Budget Committee (FBC):

The committee shall consist of ten members: three elected members, the current and immediate past chairs of the Faculty Advisory Committee and the Welfare Committee, the chair of the Faculty Senate, and the past chair or the chair-elect of the Faculty Senate; the provost shall serve ex officio.

This committee serves as a liaison between the University Administration and the University Faculty (through the Faculty Senate) on matters pertaining to the University budget, advocates the faculty perspective on matters of budget and budgetary policy, and provides a venue for discussing faculty questions and concerns about the University budget and budgeting process. To accomplish its purpose, the Faculty Budget Committee shall have input into University budget policy in two ways. First, the Chair of the Faculty Budget Committee, the other two elected members, and the President of the Faculty Senate will be welcomed to attend the President's Budget Hearings. Second, the Chair of the Budget Committee, the immediate past Chair of the Budget Committee, and the Chair of the Faculty Senate shall serve on the University Finance Committee.

The Faculty Budget Committee, during 2012-2013 academic year consisted of the following members: Tom H. Regan (Chair, elected Hospitality, Retail and Sport Management), Bo Cai (elected, Public Health), V. Al Pakalnis (Chair elect, Medicine), David Matt, (elected, Chair of Welfare Committee), Sandra Kelly (Faculty Senate Chair), Chris Robinson (Faculty Advisory Committee Past Chair), Jim Knapp (Faculty Advisory Committee Chair, Earth and Ocean Sciences), Varsha Kulkarni (Faculty Welfare Committee Chair, Physics and Astronomy). Provost Michael Amiridis served ex officio and was represented by Mary Alexander, the Director of Academic Administration.

Meeting dates for the committee:

- September 26, 2012
- October 18, 2012
- November 14, 2012
- December 5, 2012
- February 13, 2013
- March 3, 2013
- March 27, 2013
- April 10, 2013
- May 6, 2013

(September 2012) Tom H. Regan attended a USC Capital Planning Meeting. Reports and plans for the new academic year were discussed. Some of the topics included in the discussion were: (1) USC Columbia housing district plan, (2) USC Columbia master plan, (3) 5-year capital plan, (4) capital renewal plan, (5) project update, (6) property acquisitions, and (7) approved projects (Indoor Football Practice Facility construction, Health Sciences Renovation, Welsh Humanities Building ground floor renovations, Thomas Cooper Library renovations, Horizon I First Floor renovations, 2013 Utility projects, 2012-13 Energy projects, and 2012-13 State Capital Reserve deferred maintenance projects).

(9/26/2012) The Faculty Budget Committee met with Nancy Floyd, Director of Institutional Research to provide data on a faculty compression study. The need for this study was initiated by a request from the Provost office. Faculty salary study was discussed and was to be discussed at our next meeting in October. The data was from the CUPA (HR) study from Oklahoma State University. She addressed report by levels, peer institutions and USC. Committee recommended a three year data sample for analysis. 2009-10, 2010-11 and 2011-12.

(October 18, 2012) Report by Associate Vice President for Resource Planning, Ed Walton, Associate Vice President for Finance and Budget Director, Leslie G. Brunelli addressing the University Budget and breakdown was provided. We had a question and answer session and great discussion. Discussion of budget concerns for faculty compression was discussed and the Provost office was going to determine the estimated cost or compression issue.

(November 14, 2012) Provost office provided an update with Dr. Christine Curtis and Derlene Lowder providing the compression data for the University of South Carolina campus. It was indicated it would be a three year process with each year receiving a third of the budget allocation which was estimated at \$5 million. The process was discussed and broken down by levels including assistant, associate and full professor levels.

(December 5, 2012) Meeting was a follow-up on the compression issue for the USC – Columbia campus. We discussed process, sharing information with the Faculty Welfare Committee (Chair Dr. David Mott) and coordinating efforts for Faculty Senate.

(February 13, 2013) Compression study update from Provost Office was presented. We had a post tenure review letter that was used by USC – Aiken to consider as a tool for evaluating post tenure review. This would be a budget item if a stipend was attached to the review. Discussion of merit versus compression: Provost indicated the study was to address compression not merit.

(March 3 and 27, 2013) Blueprints and academic dashboards were discussed. Compression study was discussed in reference to the South Carolina legislative agenda. Welfare Committee and Budget Committee are working together to present an overall report for faculty senate. Clinical faculties were part of the discussion for compression issue on the Columbia campus. We voted to prioritize the faculty in this order (1) Severe compression, (2) Next most severe, and (3) least severe. This would be determined from the data presented from the Provost Office in comparison to OSU calculated means.

(April 10, 2013) Letter from Faculty Budget Committee to the Faculty Senate as a recommendation was discussed. The Draft letter was gone over and final letter was to be sent to Faculty Chair Sandra Kelly in twenty days. (April 30, 2013). The committee discussed new Chair to be elected in May 2013. Professor Yankovsky (Arts and Sciences) was elected as the new member to the committee for 2013-2014 academic years.

(April/May 2013) – Budget committee Chair attended multiple budget hearings held by President Harris Pastides. Included in the meetings were the off-site campuses, colleges and units that report to the President and the University CFO Ed Walton. The meetings were at various times in April and May.

(May 6, 2013) - Final meeting of the 2012-2013 academic year. The final letter from the Faculty Budget Committee was edited and forwarded to Faculty Senate (Sandra Kelly). The June meeting for Faculty Senate will include a time slot for discussion on faculty compression.

The FBC will have a new Chair for 2013-2014, Dr. V. Al Pakalnis (Chair elect, Medicine)

New elected member: Professor Yankovsky (Arts and Sciences)

Respectfully submitted,

Tom H. Regan, Chair
Faculty Budget Committee

Note: Copy of Compression letter attached.

**Call for a Faculty Salary Compression Update
by
the USC Faculty Senate
as Proposed by the Faculty Budget Committee (FBC)**

March 25, 2013 – updated May 2013

The Faculty Budget Committee has been studying data from the Oklahoma State Salary Study which looked at salaries for all universities similar to the University of South Carolina during the year 2012-2013. The Oklahoma State Salary Study comes out annually with updated average faculty salaries by academic unit and rank. The Faculty Budget Committee has concluded that the hiring of new faculty both for replacement of the many retired faculty members and the faculty replenishment initiative has compressed the base salaries of the long-standing productive faculty members at the University of South Carolina. This compression is more severe in some academic units than others and in some ranks (Assistant, Associate or Full professors) within particular units.

The Faculty Budget Committee has resolved that salary compression for faculty members must be addressed. Salary compression relief must be given to faculty whose performance is satisfactory and whose salary is lower than the mean for the equivalent unit at peer/peer aspirant institutions.

If funding is available, the Faculty Budget Committee recommends that the compression issues be addressed in one year but if not, compression issues must be resolved within three years.

If compression issues are resolved over a three year period, the first year would address compression in those academic units and ranks with the most severe compression based on the most recent Oklahoma State Salary Study. The second year allocations would address compression in those academic units and ranks with the next most severe level of compression based on the most recent Oklahoma State Salary Study. The third year allocations would address the remaining faculty salary compression issues based on the most recent Oklahoma Salary Study. The Faculty Budget Committee further recommends that the Provost's Office provide the heads of each academic unit with guidelines of how to allocate the compression funds.

At this point, the Faculty Budget Committee requests that the Faculty Senate endorse the above recommendations prior to them being forwarded to the Administration of the University of South Carolina . The Faculty Budget Committee would also support cost of living adjustments but view compression as the most pressing issue at this point in time.