

## **Faculty Senate President's Meeting Notes**

April 25, 2022

**Submitted by K. Craven**

### **Members Present:**

Stephanie Adams, Douglas Airhart, Dan Allcott, Michael Allen, Sean Alley, Troy Brachey, Chris Brown, Debra Bryant, Melissa Comer, April Crocket, Kris Craven, Dennis Duncan, Mary Lou Fornehed, Steven Garner, Scott Hagarty, David Hajdik, Syed Rafay Hasan, Katherine Hermann-Turner, Samantha Hutson, Janet Isbell, Christy Killman, Matt Langford, Emily Lee, Jane Liu, Mark Loftis, Jeanette Luna, Ann Manginelli, Lori Maxwell, Jennifer Meadows, Holly Mills, Linda Null, Brian O'Connor, Joseph Ojo, Kristin Pickering, Richard Rand, Christopher Reames, Lee Ann Shipley, Drew Sisk, Scott Smith, Troy Smith, Sandi Smith-Andrews, Holly Stretz, Lenly Weathers, Robert Wilbanks, Kimberly Winkle, Russ Witcher, Laith Zuraikat

### **Members Absent:**

Steve Canfield, Yun Ding, Tammy Howard, Elizabeth Ramsey, Dan Swartling

**Guests Present:** Kevin Vedder – Associate Vice President of Human Resources; Lee Wray – Chief of Staff, Provost Lori Bruce

### **Call to Order**

Call to order 3:45 p.m.

### **Updates from President Luna**

1. Reminder: End of the Year Faculty Meeting on Wednesday, April 27, Derryberry Auditorium

### **Remarks from President Oldham**

1. End of Semester Remarks

The Tennessee General Assembly has passed the Governor's budget without any surprises As previously discussed, it is very beneficial and we are in decent shape. As far as fall enrollment, it is too early to know for sure but early indications are good. There are approximately 1600 SOAR registrations, which is above the pace from the past. We usually get about 90% that actually enroll so the unofficial goal is 2000 new students, so we need 2200 and there are several weeks to go. We just need to push forward and we should land a strong class. This is an indication of a better trajectory, but we take nothing for granted. As far as capital projects, they will continue over summer. We will try for least amount of disruption, try.

### **Salary Topic #1: Developing a TTU Pay Philosophy (Guest: AVP Vedder)**

1. What is a pay philosophy?
2. How could TTU benefit from having a pay philosophy?
3. If TTU developed a pay philosophy, could HR include faculty and other stakeholders in the process?
4. Other questions from Senators

Thank you for the opportunity. A pay philosophy is a means to achieve your compensation policy. It is a merger of compensation with aspirational objectives. How does the university handle salaries for a new hire, equity concerns, promotions, reclassifications, and others. It would define all aspects of salary expositions. Often, you want to have the salary between the average and the median for existing employees in similar roles. Also, you want to define the salary to be between mid and max in x years after a hiring to assuring that the employees are progressing. If not, what should be done? Always want your pay philosophy to align with the strategic objectives of the institution. It should also define the intention on implementation. Also, consider your stakeholders input and participation as well as benchmarks alignment.

Question: How does this relate to Policy 644? Is a pay philosophy encompassed in the policy? Does it require a policy update? Or is this a completely separate thing?

Response: The policy is the overarching framework. A pay philosophy is the mechanism to move the policy and adjust for the environment. It can help to mitigate people leaving. It should be flexible and adaptable, but also meet intent of policy. Your pay philosophy will need to change and adjust as the budget changes.

Senate President Luna said that this is an important topic and there should be a committee to work on this next year. The Senate should participate. Please put your interest in the chat or let AVP Vedder know that you are interested.

Question: Where does the plan created by the faculty equity committee fit?

Response: AVP Vedder said he was not familiar with this plan and agreed that aspects of this prior work should be considered.

Additional Comments: Merit was a component on the plan. The committee tried to increase this component in the plan but it backfired and magnified miniscule differences between faculty salaries. Senator O'Connor agreed to see if he could locate any of the information and forward it to AVP Vedder.

There could be an added benefit that this could help respond to a surplus and keep it from disappearing.

Question: Will this pay philosophy include salary raises? Some faculty receive large raises and others very small raises. Many times, the department chairs don't know.

Response: Yes, this could be a part of a pay philosophy. It will identify objective salaries for positions across the university and the differentiation including merit for performance. The committee will need to look at equity and address problem areas.

## **Salary Topic #2: Equity (Guest: AVP Vedder and Provost Bruce)**

1. How is equity defined at TTU?
2. How often is equity adjusted for staff? For faculty?
3. How are equity adjustments funded? Is equity funded from the legislative raise pool?
4. Other questions from Senators

HR must consider regulatory compliance issues. Employees should be compensated equally for the same work while accounting for experience, tenure, and performance. This is part of the Title IV compliance. Internal equity is defined by position types. Salary inversion and pay compression must be considered. Salary inversion happens when there are market challenges and we have to elevate an offer to get someone hired into a position. Therefore, we must offer a new assistant professor more than others with years of experience or even associate professors. Pay compression is when multiple employees doing the same kind of work are in a tight salary range.

Question: Is this definition shared?

Response: President Oldham agreed that it was a good description. There is no adoption of a specific definition. AVP Vedder's job is challenging. The campus is very diverse, unlike a factory, which causes unique classifications and categories. It is hard to evaluate equity due to the complexity and ambiguity.

AVP Vedder agreed with this characterization. There is a large breadth and depth of jobs.

Provost Bruce also echoes these ideas. Compression and inversion are different from equity. Compression occurs in disciplines where salaries have not kept up with the marketplace. There are many considerations such as CUPA, other universities, zip code, etc. Inversion is when the salaries are so compressed we are hiring junior faculty at higher salaries than senior faculty. Then you will have someone who got left behind, although there are no performance issues. This can result in legal risk if the employee is in a protected class.

Question: How do protected classes factor into salary offers and salary inversion?

Response: Take diversity out of the question. It is about hiring the most qualified person. To be competitive with the candidates, you need to offer higher salaries. This is not because of their class status but based on attempting to attract candidates with the right qualifications. Then you need to reevaluate other salaries based on the salary of the new hire. But always while considering regulatory compliance issues.

Question: How often is equity adjusted?

Response: President Oldham said that equitable pay is an ongoing issue that should be addressed annually when the salary increases are implemented. HR will also look at this periodically when there is a new hire.

AVP Vedder talked about the two facets of this process. On an annual basis, there are overall fiscal merit raises. On an ongoing basis there are situational considerations. HR makes every attempt to be as fair and equitable as possible. There are other times when these things need to be considered, like when hiring new employees. There needs to be enough in the budget for the salary. However, you must consider the other employees already here with more experience while also being competitive with the salary offer. It is a balancing act.

Provost Bruce noted that HR is mostly dealing with hiring staff, but what about faculty. Faculty will counter when an offer is made. The salaries are different in different disciplines. Often these things are considered as a reaction as opposed to a systematic reviewing. She is not aware of an annual approach for faculty equity reviews.

AVP Vedder is still in the learning stage and looking at historically the role of HR. He is eager to add value to this process. He experiences are mostly with staff. To help with faculty, he would need benchmarks, metrics, and data points. Getting these can be contentious. But he wants to be involved.

Comment: Department chairpersons are not trained about dealing with pay considerations. It would be helpful to have some training on this for those who are making decisions.

Question: When there are equity adjustments, how are they funded?

Response: President Oldham said that the simple answer is from any available resources. There is no standard way to fund these.

Question: Board Representative Allcott asked for clarification. At the Board meetings it is often said that it is state law that all raises be based on merit.

Response: Yes, that would be true. The allotment (4%) for merit based pay increases. But there are other adjustments like faculty promotions that come from other money sources.

Question: What about the funding for vacant lines?

Response: This is a strategy and an institutional decision which is not always good. In any given year, there are a significant number of unfilled positions. Policy makers will look at these unspent funds and draw the conclusion that we don't need those positions.

Question: The funding was approved by the General Assembly. The Board of Trustees designated the terms of the raises. We are still unclear.

Response: President Oldham confirmed that the Board approved the pool of 4% for existing positions to be distributed to individuals between 1% and 7% of their salary solely on the basis of merit. This was done with fidelity. The Board did not say that we couldn't make additional adjustments from other money. It is routine to adjust for promotion from other money. These amounts would be relatively small compared to the salary raise pool. If the Board wants to get into it more fully, they are welcome to do so.

Question: What is an example of an adjustment?

Response: Provost Bruce mentioned several in the 2020-2021 cycle in nursing. This is due to growth in enrollment, research, and new programs that stems from the nursing shortage. Also, in January of 2022 the average pay for a BS in nursing is approximately \$77K. An assistant professor salary is \$60K. It is a different job to teach as opposed to the duties of a nurse. There was a need to increase the offers to get faculty to come. However, the money came from the Dean through their operating budget. When looking at CUPA, the median in nursing is at the bottom.

### **Salary Topic #3: Position of HR in the TTU Organization (Guest: AVP Vedder)**

1. Would moving HR out of Planning and Finance improve functionality? What are the current best practices?
2. Would moving HR out of Planning and Finance necessitate hiring additional staff/administrators?
3. Other questions from Senators

President Luna discussed that at the last meeting President Oldham said he was agnostic about the organizational chart and was mostly concerned with it being functional. There are questions about where HR is and how that might affect assessment of equity and best practices.

AVP Vedder talked about the fact that all organizations are different. He is interested in having a seat at the table. He wants to put strategic information into the mix that will help the institution to be successful. He is happy to report to whoever. He has trust and confidence to go where he needs to articulate the issues and have a voice. Due to CoVID, we are still in a transition and there are related HR issues. He is eager to work through this. It is about the culture and span of control. Some HR's have a direct report to the President, others report to the CFO because that is where payroll is and they must work hand-in-hand, others report to the Chief of Staff, or to the legal Counsel. It makes sense to align at the senior level.

Question: If HR is moved, will it require additional administrative staff in HR? How would that work?

Response: AVP Vedder said that the head of HR does not have to be a Vice President. It is about the role and the responsibility. There would be a need to evaluate some things, like the

management of the policies, the preparation for the Board meetings, some other administrative things, the budget, and others.

President Oldham said he had no strong feelings. He does want a functional structure but would consider any proposed changes. He doesn't see any compelling reason for a change. He does not feel he would be a strong supervisor for HR. He tried it when ITS was moved. It can work, but wasn't a good fit. There would be a need for a lot of time to dedicate to HR. He agrees with AVP Vedder's comments. There would need to be some expertise for oversight in the process.

Comment: Athletics is another consideration. There is a feeling that we are not getting unfettered access to information. These are hard decisions.

Response: You would be surprised how much time I spend on athletics. If there are issues, I am not opposed to considering changes.

Comment: There are 750 people in academic affairs. HR is not responsible for analyzing this data, but it is on just a few people in another unit. There is a real issue with everyone having enough information to do their job properly. It is concerning that the salary information was sent to you on March 8 and there is still no resolution.

Response: The review is ongoing. The data is being collected. I expect to have the final full report shortly. It takes time for a full assessment to be completed. I fully believe that the report will resolve the outstanding questions.

Comment: These were just an example, there are other instances. Your response was that never happened. Not all of the issues were analyzed. These are near and dear to our hearts.

Response: President Oldham said that AVP Vedder alluded to the role of HR on faculty issues. It was the same when I arrived. HR was told to stay out of faculty considerations. The culture persisted. AVP Vedder is willing and they are capable of helping.

AVP Vedder said that he is interested in having a positive relationship with the Provost Office. He is interested in being involved in the workforce in all of the facets. He wants to engage and is ready to serve. There are lots of models to consider. He wants to continue to have good collaborations.

Comments: The goal is functionality. There are two silos and they do not seem to be meshed. HR is more experienced with hiring. However, the chairs are finding roadblocks and obstacles and feel it is an unobtainable process.

Response: President Oldham agrees that this is a concern and asked AVP Vedder to look into the issues with hiring faculty. AVP Vedder agreed.

#### **Salary Topic #4: Investigation into the 2021 salary raise pool distribution(s)**

1. What data has been provided to Internal Audit?
2. A motion for a Vote of No Confidence in the VP of Planning and Finance was tabled pending additional data at the most recent Senate Business Meeting on April 18, 2022. When can Senators expect the full internal audit data and report to be released?
3. What measures have been put into place to ensure fair distribution of the 2022 salary raise pool?
4. Other questions from Senators

Question: What data has been given to Internal Audit?

Response: AVP Vedder said a list of salary data from June 2021 for all employees. Staff increases would have occurred July 1. Any additional adjustments would have occurred with the new semester August 15. Therefore, data was monthly through December 2021.

Question: See #2 above. What is the timeline?

Response: President Oldham said he can't predict. He was glad to say that he visited with them today and they have made substantial progress. There are some added questions but he does expect to receive the report in the near future. The scope has been expanded to get a broader picture, including the methodology of equity. If he had to guess he would say two weeks, but he can't be sure.

Question: At the last meeting you mentioned that the Internal Audit has a direct link to the State Audit? Is this strictly an internal investigation?

Response: This report will be submitted directly to President Oldham. It will also be shared with the Board of Trustees. The Internal Audit group does have a direct report to the State Comptroller, who can access anything they choose. If they have questions, they can ask.

Question: What about the look for this year? If there is money, what sort of things will it be used for? What measures are in place to assure a fair distribution?

Response: President Oldham said that AVP Vedder could better answer this. First, he wanted to reiterate that last year's raises did fall within the 4%/unit basis, there is no evidence otherwise.

AVP Vedder responded that there is an opportunity for things to happen. He will be vetting the raises before they are finalized and there are checks and balances in place.

Question: Who provides information about the raise pool distribution? What if a unit has questions?

Response: President Oldham is not sure how exactly to answer this. There is information about salaries available in Banner. Therefore, they can be easily verified. He finds it highly unlikely that they can be misrepresented.

Question: As a chair, these are very hard decision and a difficult process to determine who should get what raise. Then there is no response about what is actually implemented.

Response: President Oldham said that he could provide that. He can assure us that what is recommended by the chair is done unless the dean overrules the decision.

Question: There were only 4 faculty in the questionable information. The question is about the staff who received over 7%.

Response: President Oldham said that the information provided included a lot of adjustments, roughly half were equity. However, no equity was funded out of the raise pool. There were also some promotions, reclassifications, and other adjustments. It depends on when and how the data was pulled. He doesn't know the details of the data. Some of the adjustments are an institutional decision involving a judgement call. There are considerations about critical staff for continuity of effort. Decisions regarding setting priorities and the distribution of resources.

### **Other Questions?**

Question: Space needs for administration and academics in the UC?

Response: President Oldham explained that they are moving some offices in the UC to make more room for Student Activities. Trying to relocate administration out of the UC. They are also working on more seating space in the Café.

**Adjourned** at 6:02 p.m.

**Approved:**