5-17-2000

SR-99-00-41 FPC

Marshall University

FACULTY PERSONNEL COMMITTEE
RECOMMENDATION

SR-99-00-41 (FPC)

For the academic years 2001/02 to 2006/07, we believe it is necessary for faculty to be involved in all stages of developing the Marshall University compacts under the new legislation for higher education. In addition, this recommendation should be incorporated and linked to Executive Policy Bulletin #5. As planning proceeds, we believe the following priorities are essential for faculty salaries:

First Priority: to bring the median faculty salary at each rank and discipline to 100 per cent of peer salaries by academic year 2006/07.

Second Priority: that each faculty member have a target salary based on discipline, rank, and experience and that individual faculty salaries at the highest percentage of target not exceed those at the lowest percentage of target by more than 5 percent among faculty whose performance is rated as effective or better.

RATIONALE: The justification are self-evident. First, student credit hour production of Marshall University faculty has consistently exceeded that of faculty at peer institutions by 20 to 30 percent. At that level of performance, paying less than 100 percent of peer salaries is as shamefully exploitative as the expiring higher education act which required our faculty outproduce peer faculty by 10 percent while specifying an unfunded salary level of 95 percent of peer salaries. We believe that on a rank-by-rank basis most departments have yet to achieve 95 percent of peer faculty salaries.

Second, there is no justification we can imagine for faculty whose performance is equivalent to be paid at differing percentages of their target salaries. If we can not afford to continue the practices which introduced and fostered the inequity.

FACULTY SENATE PRESIDENT:

APPROVED: Donna Donathan DATE: 5/17/00

DISAPPROVED: DATE:

UNIVERSITY PRESIDENT:

APPROVED: DATE: 6/2/00

DISAPPROVED: Dan Angel DATE: 6/2/00

COMMENTS:

Amended on the senate floor May 11, 2000, to add the following sentence after the first sentence in the first paragraph: *In addition, this resolution should be incorporated and linked to Executive Policy Bulletin #5.*

SEE ATTACHED.

Additional Comments for SR – 99 – 00 – 41 (FPC):

Under SB 547 the state provided an incentive plan of 3.25% to support certain salary goals for faculty and staff.

In reality – state funds were lacking over the past 5 years for two reasons: (1) The 3% take back in the spring of 2000 took back one full year of the promised funding support, and (2) The RAM distribution short-changed Marshall University $280,000 this last year alone.

Marshall University, however, funded the state promised raises. We're delighted this was possible and we realized faculty and staff salaries are of extreme importance.

The new state plan (SB 653) has no provisions of intended salary levels or any guaranteed level of salary support. Until such time as the financial realities of the legislation become more clear, it would be impractical and imprudent to make such a promise. (See attached article.)

We will certainly work with you to deliver **in concert with overall university quality needs** the highest possible level of faculty and staff raises under SB 653.

cc: Layton Cottrill
Sarah Denman

MAY 16, 2000

The Charleston Gazette
Tuesday, May 16, 2000

Revenue lagging by $37 million

State officials alarmed, although spending cut will take care of deficit

By Fanny Seiler
fanny@wvgazette.com

The state's revenue collections were $37.2 million under estimates at the end of April. State officials, however, said Monday that Gov. Cecil Underwood's 3 percent spending reduction will be adequate to finish the fiscal year without a deficit June 30.

Nonetheless, the Legislature is concerned. "We're all concerned about it," said Senate Finance Chairman Oshel Craigo, D-Putnam. "It is a serious problem."

"The personal income tax is carrying us through," said Deputy Administration Secretary Dot Yeager.

The personal income tax was $24.96 million over estimates for the fiscal year through April, but the corporate net income tax was $25.?? million under estimates.

Mark Muchow, director of research and development for the Tax Division, said a number of companies' corporate profits were down in the January through March quarter of 2000. According to Business Week magazine, he said, Ashland Coal was down 71 percent, Consolidation Energy was down 10 percent and Arch Coal had a loss.

In addition to certain mining companies, Muchow said some of the transportation companies, public utilities and some financial institutions' profits were down. The transportation companies haven't been able to pass along higher fuel costs to the public, he said.

Muchow said profits won't decline a lot from this point on, but they won't increase significantly either because of rising interest rates and higher health care costs.

West Virginia isn't alone, however. Muchow's counterpart in Florida inquired about the corporate net income tax performance in the Mountain State because Florida's collections were $80 million below the previous year's.

Muchow said the larger companies are multistate corporations and affect all the states where they operate.

Because of low unemployment and job growth, Muchow said consumers feel confident and are buying.

The estimates through April included $13 million of $19 million projected from liquor license renewals this fiscal year. But the Alcohol Beverage Control Administration hasn't yet transferred any of the money to the general revenue fund. The ABCA actually exceeded the estimate and took in $21 million with 29 licenses still to be rebid June 23.

"They got more than they anticipated. That should help a little bit," Yeager said.

State government's general revenue budget is based on the estimates, and the state constitution prohibits a deficit. Underwood imposed the 3 percent spending reduction last year.

Other major revenue sources that were under estimates were the business and occupation tax, down $11.2 million; severance tax, $7.9 million; and the consumer sales tax, $935,000. The use tax, a sales tax on out-of-state purchases, was under estimates by $2.4 million.

All sources had produced

Please see **REVENUE, 9A**