

Approved 4/27/87  
Date

MINUTES OF THE Senate COMMITTEE ON Ways and Means

The meeting was called to order by Senator August "Gus" Bogina at  
Chairperson

11:00 a.m.~~p.m.~~ on March 23, 1987 in room 123-S of the Capitol.

All members were present except:  
Senator Doyen on excused absence

Committee staff present:  
Research Department: Robin Hunn, Ron Schweer, Gloria Timmer  
Revisor's Office: Norman Furse  
Committee Office: Judy Bromich, Pam Parker

Conferees appearing before the committee:

HB 2439 - FY 1988 appropriations for regents institutions, state board of regents and Kansas technical institute

Staff continued review and discussion from the March 19th meeting regarding systemwide issues contained in HB 2439. He distributed updated copies of the memorandum provided March 19th. (Attachment 1)

Staff distributed updated subcommittee assignments.

HB 2100 - FY 1987 appropriations for Kansas State University, Pittsburg State University, University of Kansas, University of Kansas Medical Center, Wichita State University, and Kansas State Library

Senator Werts moved, Senator Feleciano seconded, recommending HB 2100 favorably for passage as amended. The motion carried on a roll call vote.

The Chairman adjourned the meeting at 11:45 a.m.



MEMORANDUM

March 18, 1987

TO: Senate Ways and Means Committee

FROM: Kansas Legislative Research Department

RE: Comparison of Regents' Institutions to Peers

During several recent years the State Board of Regents has compared its institutions to a set of designated peer institutions. In a recent discussion of this process before the House Appropriations Committee, several questions arose concerning the peer comparisons. Specifically, committee members were interested in the variance among institutions in major data categories. The following tables were prepared to provide additional information concerning the peer institutions.

These tables list: institutional size; numbers of full time faculty; salaries of full-time faculty at various professorial ranks; employer retirement contribution; employee retirement contribution; resident tuition; nonresident tuition; and faculty compensation (including fringes) as a percentage of salary for each Kansas institution and its designated peers. Additionally, data are shown for two institutions, which are not peers, in Missouri and Nebraska. The data were largely assembled from published materials, as indicated by footnotes to the tables.

Salary data were compared to Kansas institutions using the median of the peers. Inasmuch as the published data were already a mathematical mean to apply another mean to those data would not produce reliable results; therefore, a peer median was used for comparison. The peer median data for full-time faculty positions in most cases reflect that Kansas institutions are several percentage points higher than the peer averages for salaries and wages which have been cited by the institutions and the Board. Some difference can be attributed to use of medians rather than averages. However, it is most important to recognize that the Board's comparisons include all salaries and wages expenditures and relate those expenditures to full-time equivalent students. This data only compare average salary for full-time teaching faculty. Therefore, the differences between these comparisons and the Board's are largely attributable to: (1) Kansas paying significantly less than its peers in salaries for personnel who are excluded from the published data used in these tables (principally part-time faculty, graduate teaching assistants, and classified employees); (2) Kansas paying less in fringe benefits than the peers; and (3) certain differences in staff to student ratios.

Kansas institutions appear to be significantly below peers when comparing to contributions to retirement programs. This relationship exists among each of the institutional peer groupings. It is reflected both by comparing percentage of gross salary contributed to retirement programs and by comparing compensation as a percentage of salary.

ATTACHMENT 1  
3/23/87 SWAM

Resident tuition among three peer groupings (KU, KSU, and the regional universities) tends to be more in Kansas than at several of the peers or the peer average. However, in some cases the differences are relatively small. Nonresident tuition in Kansas is significantly less than at the peer institutions, according to this data. Only Oklahoma has lower nonresident tuition than Kansas.

D87-40/RH

TABLE 1

## UNIVERSITY OF KANSAS AND PEERS

	Fall 1986 FTE Students	No. of Faculty	Faculty to FTE Student Ratio	Average Salary Professors	Average Salary Associate Professors	Average Salary Assistant Professors	Average Salary Instructor	Average Salary All Ranks	Employer Contribution Retirement	Employee Contribution Retirement	Resident Annual Tuition and Fees	Non-Resident Tuition and Mandatory Fees	Compensation As a % of Salary (All Ranks)	AAUP Rank Full Prof.
University of Kansas	23,094	961	1:24	\$ 41,600*	\$ 30,100	\$ 27,100	\$ 18,200	\$ 34,900	7.0%	5.0%	\$ 1,290	\$ 3,200	117.2%	4
University of Colorado (Boulder)	20,520	896	1:22	41,400*	32,800	29,100	23,800	36,400	5.0% of \$27,000 7.0% of rmdr.	5.0% of \$27,000 7.0% of rmdr.	1,779	6,559	115.1	4
University of Iowa (Iowa City)	24,270	1,031	1:24	43,900*	33,200	28,200	27,400	36,800	6.6% of \$4,800 10.0% of rmdr.	3.3% of \$4,800 5.0% of rmdr.	1,390	4,080	122.3	3
University of North Carolina (Chapel Hill)	18,087	1,042	1:17	50,700*	36,800	30,400	27,500	40,500	6.0%	6.0%	820	4,160	117.0	2
University of Oklahoma (Norman)	17,065	767	1:22	41,500*	31,600	26,600	16,300	33,100	9.0% of \$25,000 and 15.0% over \$9,000	5.0% of \$25,000	921	2,727	122.1	4
University of Oregon (Eugene)	15,203	634	1:24	38,300*	30,000	25,000	19,900	31,300	17.0%	0	1,487	4,190	126.5	5
Average of Peers	19,029	874									1,281	4,153		
Median of Peers	18,087	896	1:22	41,500	32,800	28,200	23,800	36,400	9.6%	3.0%	1,390	4,190	122.1	4
Kansas as Percent of Median				100.0%	91.8%	96.1%	76.5%	95.9%					96.0	
Surrounding States -- Non-Peers														
University of Missouri-Columbia		858		39,700*	30,200	27,600	20,400	33,000	8.4%	0	1,567	4,537	120.6	5
University of Nebraska-Lincoln		1,017		39,000*	29,600	25,500	17,500	32,900	7.0%	6.0%	1,524	3,782	117.9	5

\* Most frequently occurring professorial rank.

TABLE II

## KANSAS STATE UNIVERSITY AND PEERS

	Fall 1986 FTE <u>Students</u>	No. of Faculty <u>Faculty</u>	Faculty to FTE Student <u>Ratio</u>	Average Salary Professors <u>Professors</u>	Average Salary Associate Professors <u>Professors</u>	Average Salary Assistant Professors <u>Professors</u>	Average Salary Instructor <u>Instructor</u>	Average Salary All Ranks <u>All Ranks</u>	Employer Contribution Retirement <u>Retirement</u>	Employee Contribution Retirement <u>Retirement</u>	Resident Annual Tuition and Fees <u>and Fees</u>	Non-Resident Tuition and Mandatory Fees <u>Mandatory Fees</u>	Compensation As a % of Salary (All Ranks) <u>(All Ranks)</u>	AAUP Rank Full Prof. <u>Full Prof.</u>
Kansas State University	15,216	870	1:17.5	\$ 39,600*	\$ 29,900	\$ 25,700	\$ 20,700	\$ 32,100	7.0%	5.0%	\$ 1,303	\$ 3,213	117.8%	5
Colorado State University (Ft. Collins)	17,110	917	1:18.7	40,100*	31,800	27,800	21,900	34,600	12.2%	8.0%	1,697	4,939	116.5	5
Iowa State University (Ames)	25,517	1,364	1:18.7	41,500*	31,200	26,300	18,700	32,300	6.6% of \$4,800 10.0% of rmdr.	3.3% of \$4,800 5.0% of rmdr.	1,390	4,080	122.9	4
North Carolina State University (Raleigh)	19,655	867	1:22.7	50,000*	36,400	31,700	25,500	36,300	6.0%	6.0%	839	4,179	117.1	2
Oklahoma State University (Stillwater)	17,903	803	1:22.3	40,100*	31,800	27,800	21,900	32,000	9.0% of \$25,000 and 10% over \$7,800	5.0% of \$25,000 and 5.0% over \$7,800	889	2,680	122.8	5
Oregon State University (Corvallis)	14,051	656	1:21.4	38,900*	30,800	26,000	19,100	31,400	17.0%	0	1,487	4,190	126.8	5
Average of Peers	18,847	921									1,260	4,013		
Median of Peers	17,903	867	1:21.4	40,100	31,800	27,800	21,900	32,300	9.6%	4.8%	1,390	4,179	122.8	5
Kansas as Percent of Median				98.8%	94.0%	92.5%	94.5%	99.4%					95.9	

\* Most frequently occurring professorial rank.

TABLE III

## WICHITA STATE UNIVERSITY AND PEERS

	Fall 1986 FTE Students	No. of Faculty	Faculty to FTE Student Ratio	Average Salary Professors	Average Salary Associate Professors	Average Salary Assistant Professors	Average Salary Instructor	Average Salary All Ranks	Employer Contribution Retirement	Employee Contribution Retirement	Resident Annual Tuition and Fees	Non-Resident Tuition and Mandatory Fees	Compensation As a % of Salary (All Ranks)	AAUP Rank Full Prof.
Wichita State University	10,719	495	1:21.7	\$ 40,300	\$ 31,400	\$ 25,700*	\$ 19,400	\$ 29,200	7.0%	5.0%	\$ 1,346	\$ 3,256	117.8%	3
University of Akron	18,388	755	1:24.4	43,400	33,900*	28,900	23,700	34,600	14.0%	8.5%	1,784	3,896	121.4	3
Portland State University	9,933	**		**	**	**	---	**	17.0%	0	1,476	4,179	**	**
Virginia Commonwealth University (Richmond)	15,384	807	1:19.1	41,200	33,600*	29,100	22,500	32,700	16.2%	0	2,110	4,730	124.5	3
University of North Carolina -- Greensboro	8,846	438	1:20.2	47,200	34,000*	28,200	23,100	33,500	6.0%	6.0%	922	4,262	117.6	3
University of Wisconsin -- Milwaukee	18,438	724	1:25.5	43,100	31,900*	27,700	23,200	34,200	9.5%	1.0%	1,626	4,970	125.7	4
Western Michigan University (Kalamazoo)	17,023	729	1:23.3	38,600*	31,300	26,400	18,300	32,900	9.35% to FICA max 16.5% above FICA max	0	1,620	3,950	124.3	5
Average of Peers	14,669	690									1,590	4,331		
Median of Peers	17,023	729	1:23.3	43,100	33,600	28,200	23,100	33,500			1,623	4,221	124.3	3
Kansas as Percent of Median				93.5%	93.5%	91.1%	84.0%	87.2%	11.7%	.5%			94.8%	

\* Most frequently occurring professorial rank.

\*\* Data not listed in AAUP survey.

TABLE IV

## REGIONAL UNIVERSITIES AND PEERS

	Fall 1986 FTE Students	No. of Faculty	Faculty to FTE Student Ratio	Average Salary Professors	Average Salary Associate Professors	Average Salary Assistant Professors	Average Salary Instructor	Average Salary All Ranks	Employer Contribution Retirement	Employee Contribution Retirement	Resident Annual Tuition and Fees	Non-Resident Tuition and Mandatory Fees	Compensation As a % of Salary (All Ranks)	AAUP Rank Full Prof.
Emporia State University	4,344	203	1:21.4	\$ 32,900*	\$ 28,500	\$ 25,000	\$ --	\$ 28,700	7.0%	5.0%	\$ 1,136	\$ 2,386	117.8%	5
Fort Hays State University	4,277	209	1:20.5	33,300*	27,600	24,100	20,700	27,700	7.0%	5.0%	1,210	2,460	117.3	5
Pittsburg State University	4,682	226	1:20.7	33,600*	29,400	25,700	20,400	29,500	7.0%	5.0%	1,102	2,352	117.6	4
Eastern New Mexico University (Portales)	3,187	149	1:21.4	35,500	29,800	25,400*	20,900	27,500	7.6%	7.6%	897	3,078	120.0	3
Murray State University	5,637	332	1:17.0	32,600	28,000*	23,800	20,400	27,100	10.3%	5.9%	1,000	2,880	124.7	4
Western Carolina University (Cullowhee)	5,213	284	1:18.4	38,600	32,600*	27,100	21,900	31,300	6.0%	6.0%	812	4,060	119.5	2
Central Oklahoma University (Edmond)	8,800	345	1:25.5	38,000	34,700	31,800*	26,400	33,400	9.0% of \$25,000	5.0% of \$25,000	712	1,914	111.4	3
Eastern Washington University (Cheney)	7,280	325	1:22.4	33,400*	29,300	22,600	17,600	30,300	5.0% below 35 yrs. 7.5% over 25 yrs.  10.0% over 50 yrs. (optional)	5.0% 7.5% or 10.0%	1,212	4,206	123.8	5
Northern Arizona University (Flagstaff)	10,979	471	1:23.3	41,300	30,400*	26,600	21,900	31,600	7.0%	7.0%	1,136	3,692	118.7	3
Average of Peers	6,849	318	1:21.9								962	3,305		
Median of Peers	6,458	329		36,750	30,100	26,000	21,400	30,800	7.6%	7.25%	949	3,385	119.8	3
ESU as Percent of Median				89.5%	94.7%	96.2%	--	93.2%					98.5	
FHSU as Percent of Median				90.6%	91.7%	92.7%	96.7%	89.9%						
PSU as Percent of Median				91.4%	97.7%	98.9%	95.3%	95.8%						

\* Most frequently occurring professorial rank.



## DATA SOURCES TABLES I THROUGH IV

Fall, 1986 FTE Students -- Obtained by telephone survey of higher education authority or legislative fiscal section in each state.

Number of Faculty -- Full-time continuous faculty (excluding graduate teaching assistants) whose major assignment is instruction. Totals include those with released time for research -- American Association of University Professors survey 1985-1986, "Academe," March-April, 1986.

Faculty to Student Ratio -- Computed value of two previous columns.

Average Salaries -- Contracted salary excluding summer stipends. All 12-month faculty converted to an academic year. American Association of University Professors survey 1985-1986, "Academe," March-April, 1986.

Employer-Employee Contribution -- Obtained by telephone survey of legislative fiscal section of each state.

Tuition and Fees -- Annual costs 1986 from survey of National Association of State Universities and Land Grant Colleges and the American Association of State Colleges and Universities.

Compensation as a Percent of Salary -- American Association of University Professors survey 1985-1986, "Academe," March-April, 1986. (Note: Percentage provides comparison of total fringe benefit package at respective universities.)

AAUP Rank -- "Academe," March-April, 1986. (Note: Ranks salaries at universities with 1 being the highest rank and 5 the lowest.) Table lists rank for most frequently occurring professorial title.

### NOTES CONCERNING RETIREMENT SYSTEMS

Arizona. Employees have the option of participating in the state retirement system or an annuity program. In the state retirement program the employer and employee each pay 5.53 percent of salary. In an annuity program the employer and employee each pay 7.0 percent of salary.

Colorado. Most Colorado state employees do not participate in FICA. Although the contributions listed on these tables are higher than some other states, in many cases they are the total retirement contribution of the state. At the University of Colorado the faculty participate in FICA. The University of Colorado also participates in TIAA-CREF annuities. At Colorado State University, the state finances employee participation in the state retirement system. However, CSU faculty do not participate in TIAA/CREF or FICA. Individuals may participate in other annuity programs, but there is no university contribution. For purposes of computing the median of peers the Colorado contribution minus 7.15 (present annual FICA rate) was used.

Iowa. An annuity retirement program (i.e., TIAA-CREF) is utilized for all faculty at contribution rates noted.

Kentucky. The state's three larger universities (University of Kentucky, University of Louisville, and Northern Kentucky University) participate in TIAA-CREF, with a state contribution of 10.0 percent and employee contribution of 5.0 percent for most faculty. At the smaller state universities (Murry, Morehead, Eastern, and Western) faculty participate in the state teachers' retirement program. In the state teachers' retirement program, the employer contribution is 10.335 percent and the employee share is 5.905 percent.

Michigan. Michigan's three largest universities (Michigan, Michigan State, and Wayne State) participate exclusively in annuity programs. At several other state universities, including Western Michigan, faculty have the option of participating in either the state retirement program or annuity programs. If they participate in the state program, total state contributions are 9.2 percent. If they participate in an annuity program, state contribution is 9.35 percent to the FICA maximum and 16.5 percent above the FICA maximum.

Missouri. In the University of Missouri system (Columbia, Kansas City, Rolla, and St. Louis), all employees, including faculty, participate in the state defined-benefit retirement program. During the present fiscal year, the state contribution rate is 8.4 percent of gross salary. There is no employee contribution.

Nebraska. Among faculty at the University of Nebraska, annuity programs, such as TIAA-CREF, are the single retirement program. The state contribution rate is 7.0 percent and the individual rate is 6.0 percent. Among Agricultural Extension employees, the state contributes 3.5 percent and individuals contribute 2.5 percent. At smaller state colleges (Chadron, Kearney, Peru, and Wayne), the state contributes 6.0 percent and individuals 6.0 percent.

New Mexico. Faculty members are a part of the state retirement program. The state and individual contributions are each 7.6 percent of gross salary.

North Carolina. Employees may participate in the state retirement program or an annuity. State and employee contribution rates are 6.0 percent, regardless of the program elected.

Ohio. Ohio finances its faculty in the state retirement program. Contribution rates are as listed in Table III.

Oklahoma. All employees participate in the state retirement program, in which the state contributes 9 percent and the individual 5 percent on the first \$25,000 of salary. Additionally, the larger institutions (Oklahoma University and Oklahoma State University) finance participation in annuity programs at the rates noted.

Oregon. Employees have the option of participating in the state program or an annuity program. If they participate in the state program, the employer pays 11 percent and the employee pays 6 percent. However, the employer finances the employee share as an additional fringe benefit, so the employer's share is effectively 17 percent. If an individual elects an annuity plan, both the employer and employee share is 6 percent; however, the employer finances the employee share as an additional fringe benefit.

Virginia. Individuals have the option of the state retirement program or an annuity program. In the state program the state contribution rate is 11.2 percent and the individual's rate is 5 percent; however, the state finances the individual's share as an additional benefit. In the annuity program the state rate is 12.84 percent, including a theoretical 5 percent employee contribution.

Washington. Employees participate in annuity programs at the benefit rates noted on the table. Washington also has a separate state appropriation to guarantee retirants with 20 years service at least 50 percent of their final ending salary.

Wisconsin. All state employees participate in the state retirement system. No provision exists for state participation in annuity programs. Statewide the employer contribution rate is 11.1 percent and the individual rate is 1.0 percent. At the University of Wisconsin-Milwaukee, the average rate was 9.5 percent in FY 1986. Participation rates vary by employee salary level.

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