

Summer compensation document for discussion in meetings on Feb. 3, 2016 (with provost and others) and Feb. 4 (with [Academic Affairs Council](#))

[Note from provost for context (December 17, 2015)]

Dear Janel,

I'm certainly open to revisiting both the summer pay policy and the benefits issue. It will be important to understand that if we do away with pro-rated compensation for under-enrolled classes, there will likely be a firmer approach to canceling those classes rather than letting them run. I do think this approach works better with our new budget model. I'm copying Beth and Joel so that we can add this to our next Academic Affairs Council meeting. Would you like to attend and present the request as coming from the Faculty Senate Budget Committee? We can then engage the deans around the issue and share some thoughts about it. Joel, please work with Janel to schedule.

In the meantime, Beth and you can revisit the TIAA-CREF issue as well.

Best, Sue

Reasons for revisiting summer compensation policy

The policy does not seem in line with the new budget model for a number of reasons:

- It seems to place the decision to run small classes with faculty, when department chairs and deans actually make these decisions.
- The 1/15, 2/15 prorations and two census points create administrative burden that likely offsets any cost savings.
- The one-sided nature of the prorations decrease faculty morale.
- The cutoffs of 15 (undergraduate) and 10 (graduate) disincentivize any class sizes other than those exact numbers. ($\$364/\text{credit (KY)} \times 3 \text{ credits/course} \times 15 \text{ students} = \$16,380$ for undergraduates; $\text{faculty salary max.} = \$85,000 \times .03\% \times 3 \text{ credits} = \$7,650$)
- TIAA-CREF benefits on summer/winter pay should be reconsidered for full-time faculty. While it is indeed an additional cost, it seems to be the right thing to do and seems in line with what is done at other institutions.

Suggestions for new policy

- Eliminate all prorations. Let department chairs and deans make decisions re: course offerings in consultation with faculty, as is done in fall and spring sessions.
- Consider including TIAA-CREF benefits on summer/winter pay for full-time faculty
- Consider allowing faculty to opt to count summer classes towards their fall/spring course load.

Questions for discussion

- Is it correct that NKU is currently losing money on summer/winter? How is overhead calculated?
- What have been the effects of the current summer/winter compensation policy? Has it helped improved revenues/expenses for summer/winter?
- Why does the policy reduce a faculty member's salary for teaching fewer than 15 (ug) and 10 (grad) but provide no additional compensation for teaching more? (The current policy seems to imply that 15 and 10 (no more, no less) are the ideal numbers in all cases.)
- How will summer and winter fit into the new budget model?