#### MEMORANDUM

TO:	Fort Wayne Senate
FROM:	Mark Jordan, Chair University Resources Policy Committee (URPC)
DATE:	March 24, 2022
SUBJ:	Report on Limited Term Lecturer Compensation

WHEREAS, the Budgetary Affairs Subcommittee (BAS) is a subcommittee of URPC; and

- WHEREAS, BAS was charged with investigating compensation and policy toward Limited Term Lecturers (LTL).
- BE IT RESOLVED, that the Senate consider approval of the attached report on LTL compensation.

<b>Approved</b> H. Alasti	Opposed	Abstention	Absent	<b>Non-Voting</b> D. Jackson
B. Chen				G. Justice
M. Dixson				
P. Dragnev				
J. Egger				
D. Holland				
M. Jordan				
S. Koorsen				
J. Leatherman				
G. Nakata				
T. Soule				
D. Steffens				
S. Wight				
D. Yorgov				

#### MEMORANDUM

TO: FW Senate University Resources Policy Committee Mark Jordan, Chair

FROM: FW Senate Budgetary Affairs Subcommittee Zafar Nazarov, Chair

DATE: March 14<sup>th</sup>, 2022

SUBJ: Compensation of & Policy Toward Limited Term Lecturers (LTLs) at Purdue University Fort Wayne

WHEREAS, on October 12, 2020, the Executive Committee charged the BAS to examine and report on Compensation for Limited-Term Lectures; and

WHEREAS, on February 2<sup>nd</sup>, 2021, the BAS sent the report on Compensation for Limited-Term Lectures with the suggestion for additional investigation; and

WHEREAS, on September 1<sup>st</sup>, 2021, the Executive Committee asked the BAS to initiate another round of investigation and provide the set of recommendations by the end of the academic year;

BE IT RESOLVED, the findings of the BAS's internal analysis with the set of recommendations presented below outline the trends in the LTL's compensation for the last five semesters for the Senate's further consideration.

Approved	Opposed	Abstention	Absent	Non-Voting
Zafar Nazarov, cha	ir			
Stacy Betz				
Elizabeth Keller				
Shawyna Koorsen				
Andrew Kopec				
Harold Odden				
Aranzazu Pinan-Lla	imas			
Shubham Singh				
Christa Van De We	g			
Yuan Zhang				

The initial charge from the Executive Committee contained the following items:

- 1) determine whether our compensation rates for LTLs can be considered adequate based on peer comparison, going market rates for people holding that degree, and morale among LTLs, and if not, what more adequate rates would look like;
- 2) determine whether LTL pay rates have been consistently implemented across campus, and if not, whether this raises equity issues;
- 3) determine whether concerns raised specifically about the recent bonus pay are justified;
- 4) make, if and where applicable, recommendations as to any action the administration or the Faculty Senate should take on the issue of LTL compensation (in case of BAS, this would go through URPC as per Section 5.3.5.2.1.7.2.1 of the by-laws).
- 5) Provide a written report, to be shared with Senate, to the Executive Committee on all of the above. We ask that you send a brief initial assessment on (3) above as early as you can manage without violating due diligence.

With this report's submission, the BAS automatically addresses item 5 above. BAS addresses items 1 and 2 in the next two subsections of the report below. In conclusion, we share the results of our internal analysis and outline the possible policy changes regarding the issue raised in item 4 above. The only charge item that BAS hasn't addressed in this report is 3, since we believe that this item is out of the scope of our subcommittee responsibilities, and the issue seems to be outdated for further discussion.

## Comparison of LTL's Pay Rates Relative to Peer Institutions

In the initial stage of the analysis, the BAS members decided to develop the list of peer institutions. We did not use the list developed by Institutional Research at PFW, and the BAS members agreed the peers would be the institutions located in Indiana (so the institutions that face similar fiscal constraints). Further, using the whole population of institutions included in Appendix 1 of the AAUP's Faculty Compensation Survey, 2020-2021, the BAS generated a comparison group, which comprises 19 institutions located in Indiana and categorized as either IIA or IIB institutions. BAS members retrieved the additional characteristics of the institutions by using the AAUP's Faculty Compensation Survey (see Table 1), and included public/private status, religious affiliated status, average raw and adjusted for cost of living salaries, the number of faculty and student size.

Appendix 3 of the AAUP's Faculty Compensation Survey contains information on the number of LTLs and the LTLs' minimum, maximum, and average pays. We used these figures to extend our analysis. We derived the LTLs/Faculty ratio, which combines information from Appendix 1 and Appendix 3. Unfortunately, many institutions, including PFW, did not volunteer to share information about LTLs' pay characteristics in the AAUP's survey. As a result, the BAS stalled with the substantial instances of missing information on LTL pay for peer institutions. BAS members communicated with the HR departments of peer institutions over email in order to request the missing data; these attempts were not successful with the response rate virtually being zero. The BAS members understood that no meaningful comparison could be made to

address the Executive Committee's first charge item with the truncated data. Information on PFW's LTL pay in Table 1 was also initially missing in Appendix 3, which we populated with the help of the internal data that the administration shared with us. We discuss the analysis of the internal data in the next subsection of the report.

Based on the limited data that were available to the BAS regarding pay at other universities (See Table 1), it cannot be determined how LTLs compensation at Purdue Fort Wayne compares to other similar institutions (IIA or IIB institutions) in the state of Indiana.

### LTLs' Pay Equity Across Purdue Fort Wayne

BAS requested the administration to share the internal instructor-level data on LTLs' pay rates for previous years and separately for each department. The administration released the requested dataset on all employed LTLs from Spring 2016 to Spring 2021. The initial dataset consisted of 1,039 unique observations (LTLs) representing 35 units. Tables 2 and 3 summarize the main findings of the analysis from Spring 2019 to Spring 2021.

Table 2 shows that the number of LTLs employed by our institution has been decreasing over time from 339 lecturers to 209 lecturers. The average pay rate per 3-credit-hour course has been increasing from \$2,425.3 in Spring 2019 to \$2,654.0 in Spring 2021, although the maximum pay has declined from \$5,942.7 to \$5,625.0. The minimum pay has been relatively stable at \$1,000 per course, with the exception of the deviation in Spring 2020.

Table 3 breaks down the average pay separately for each unit within the university. We have included the average statistics for 30 units that employed at least one LTL in the study period. The departments are sorted out from the lowest to the highest average pay as of Spring 2021. The average pay across departments varies substantially, with the lowest rate in Communications Science & Disorders, \$2,130 per course, and the highest rate in Computer Science, \$4,116 per course. In 21 out of 30 departments, the average pay is below our institution's average value. This suggests the possible equity issue in LTL pay across the campus. The difference in the average pay, for example, between Computer Science and Communication Science & Disorders departments, might be the result of the possible differences in LTLs' experience, educational attainment, and internal pay rate range established by the administration. Unfortunately, the internal data shared with the BAS doesn't allow to test whether the observed difference can be entirely associated with these factors. An additional analysis will be required in the future. Finally, the pay rate dynamics across semesters suggest that there could be a substantial variation in the pay rate, especially in the STEM units, probably pointing toward a high turnover rate among lecturers.

# Conclusion

Although our analyses couldn't establish that our institution, on average, compensates substantially less the LTLs than the peer institutions in Indiana, using the internal data, we have

established a possible significant pay inequity across the campus. Within our institution, the pay distribution is skewed (without adjusting for the possible differences in education and experience of LTLs across departments) since 20 out of 30 units compensate their LTLs on average less than the average pay of our institution using Fall 2020 data (See Table 4).

Table 4 provides additional information about the number of LTLs employed by each department and the number of sections taught by LTLs in Fall 2020. The LTLs representing the departments that compensate below average comprise 68% of the LTLs on the campus, and they teach 62% of all sections taught by part-time instructors.

To address the potential equity concern, BAS conducted a simple simulation analysis. Using the data shared by the administration, we increased the minimum pay for LTLs to \$2,500 per course. Such an increase in the pay rate would affect 146 out of 220 LTLs in the sample (66%). The additional wage expenses for the university would be close to \$91,000 per semester due to an increase in the minimum compensation per course. Standard deviation, a measure of the degree of pay inequity (a reduction in the standard deviation is a signal of a reduction in pay inequity), will decrease from \$602 per course to \$469 across our campus if the proposed policy is implemented.

To be more competitive in the local market and allure more talented LTLs to teach the courses, the university can consider raising the minimum pay to 3,000 per course. The back-of-theenvelope simulation analysis shows that university wage expenses may increase only by \$253,000 per semester in this scenario of a \$3,000 per-course minimum affecting well-being of a large fraction of the LTL population (more than 70% of LTLs). A measure of the degree of pay inequity would further almost drop twofold to \$339 per course. With this change in the LTLs pay rate policy, the university may directly increase the retention rate among LTLs and indirectly provide more instructional flexibilities for the academic units.

Table 1. Peer Institutions and Their LTLs' Pay Rate
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					_				Par		ulty pay pe	r course	
			Category Private		Average	e Salary	# of			s MIN.	ection MAX.		LTLs/
	Institution	AAUP	vs. Public	Relig.	Raw	RPP	# of Faculty	Student Size	#	(\$)	(\$)	AVG. (\$)	Faculty
1	Bethel University-Indiana	IIA	Private	1	\$52,697	\$59,680	61	1,000 - 4,999	158	2,100	2,250		
2	Butler University	IIA	Private	0	\$85,492	\$93,844	368	5,000 - 9,999					
3	DePauw University	IIB	Private	0	\$85,456	\$93 <i>,</i> 804	198	1,000 - 4,999					
4	Hanover College	IIB	Private	1	\$71,259	\$80,337	89	1,000 - 4,999					
5	Huntington University	IIB	Private	1	\$67,025	\$75 <i>,</i> 563	71	1,000 - 4,999					
6	Indiana Institute of Technology	IIA	Private	0	\$73,006	\$82 <i>,</i> 868	64	1,000 - 4,999					
7	Indiana University-East	IIB	Public	0	\$68,438	\$77,157	108	1,000 - 4,999					
8	Indiana University-Kokomo	IIA	Public	0	\$62,860	\$73,606	125	1,000 - 4,999					
9	Indiana University-Northwest	IIA	Public	0	\$71,404	\$69,459	138	1,000 - 4,999					
10	Indiana University-South Bend	IIA	Public	0	\$65,060	\$73,681	234	5,000 - 9,999					
11	Indiana University-Southeast	IIA	Public	0	\$71,901	\$80,246	191	1,000 - 4,999					
12	Purdue University Fort Wayne	IIA	Public	0	\$71,613	\$81,286	324	10,000 - 19,999	209	1,007	5,625	2,654	0.65
13	Purdue University Northwest	IIA	Public	0	\$80,251	\$78,065	309	10,000 - 19,999					
14	Saint Mary's College	IIB	Private	1	\$68,396	\$77 <i>,</i> 458	132	1,000 - 4,999	85	1,000	8,998	3,314	0.64
15	Taylor University	IIB	Private	1	\$62,716	\$70,706	132	1,000 - 4,999					
16	University of Evansville	IIB	Private	1	\$70,538	\$80,615	165	1,000 - 4,999	112	1,500	5,000	2,500	0.68
17	University of Indianapolis	IIA	Private	1	\$70,103	\$76,951	301	5,000 - 9,999					
18	University of Southern Indiana	IIA	Public	0	\$68,126	\$77 <i>,</i> 859	348	10,000 - 19,999	255	2,295	4,350	2,660	0.73
19	Valparaiso University	IIA	Private	1	\$68,907	\$67 <i>,</i> 030	242	1,000 - 4,999	79	2,270	22,500	4,370	0.33

	N of		St.		
	obs. Mean		Dev	Min	Max
Spring 2019	339	2425.3	621.2	1022.0	5942.7
Fall 2019	313	2570.6	657.4	1022.0	5942.7
Spring 2020	294	2588.9	647.0	805.6	5942.7
Fall 2020	286	2561.4	602.1	1043.2	5842.0
Spring 2021	209	2654.0	715.0	1007.0	5625.0

Table 2. Descriptive Statistics of LTLs' Compensation at PFW for the five consecutive semesters

	Spring	Fall	Spring	Fall	Spring
Departments	2019	2019	2020	2020	2021
Comm Sci & Disorders	2,196	2,140	2,122	2,184	2,130
Chemistry	2,055	2,129	2,185	2,211	2,141
Communication	2,074	2,152	2,169	2,110	2,162
Theatre	2,178	2,200	2,178	3,375	2,200
International Language	1,881	2,120	2,208	2,208	2,208
Counseling		1,875			2,208
Accounting	2,406	2,406	2,238	2,238	2,238
Physics	2,559	2,473	2,674	2,088	2,261
Mathematics	2,031	2,137	2,284	2,191	2,300
Organizational Leadership	2,443	2,560	2,540	2,450	2,300
Hosp & Tour Mgmt	2,256	2,250	2,252	2,211	2,310
English & Linguistic	2,065	2,342	2,396	2,344	2,384
Art and Design	2,229	2,225	2,338	2,378	2,413
Political Science	2,236	2,196	2,264	2,294	2,426
History	2,519	2,519	2,519	2,410	2,446
Human Services	2,165	2,150	2,154	2,446	2,455
Continuing Studies	2,628	2,686	2,707	2,671	2,456
SOE Teacher Educ	2,380	2,415	2,477	2,393	2,468
Criminal Justice	2,305	2,336	2,203	2,249	2,538
Economics	2,294	2,406	2,406	2,406	2,574
School of Music	2,514	2,907	2,810	2,858	2,959
School of Polytechnic	2,781	3,148	3,042	2,904	3,193
Biology			2,900		3,636
Elect & Computer Engineering	3,060	3,747	3,455	3,200	3,651
Civil & Mech Eng	3,494	3,440	3,194	3,778	3,842
Computer Science	5,204	4,055		2,833	4,116
Anthropology and Sociology	2,034	2,191	2,075	2,001	
College of Professional Studies	1,766	2,033	1,766	1,766	
Management & Marketing	2,160	2,250	2,250		
Psychology	2,324	2,500		2,175	

Table 3. The Average LTL's Compensation per Course By Department and Term

Table 4. Detailed Descriptive Statistics of LTLs' Compensation by Department for Fall 2020 and Simulations of the
Potential Increase in the Pay Rates

		Actual Fall 2020					in=\$2,500	Simulated Min= \$3,000		
Department	# of LTLs	Pay per Section	# of Sect.	Budget	Pay per Section	# of Sect.	Budget	Pay per Section	# of Sect.	Budget
College of Professional Studies	1	1,766	4	7,062	2,500	4	10,000	3,000	4	12,000
Anthropology and Sociology	4	2,001	6	12,006	2,500	6	15,000	3,000	6	18,000
Physics	3	2,088	6	12,528	2602	6	15,612	3,000	6	18,000
Communication	18	2,110	36	75,963	2,500	36	90,000	3,000	36	108,000
Psychology	1	2,175	1	2,175	2,500	1	2,500	3,000	1	3,000
Comm Sci & Disorders	6	2,184	9	19,660	2525	9	22,725	3,000	9	27,000
Mathematics	19	2,191	41	89,817	2532.4	41	103,828	3,000	41	123,000
International Language	2	2,208	3	6,624	2,500	3	7,500	3,000	3	9,000
Chemistry	3	2,211	5	11,054	2,500	5	12,500	3,000	5	15,000
Hosp & Tour Mgmt	9	2,211	20	44,220	2,500	20	50,000	3,000	20	60,000
Accounting	2	2,238	2	4,476	2,500	2	5,000	3,000	2	6,000
Criminal Justice	4	2,249	4	8,996	2512.7	4	10,051	3,000	4	12,000
Political Science	6	2,294	9	20,649	2,500	9	22,500	3,000	9	27,000
English & Linguistic	27	2,344	66	154,707	2533.5	66	167,212	3007.4	66	198,489
Art and Design	12	2,378	22	52,326	2578.5	22	56,726	3005.4	22	66,118
SOE Teacher Educ	16	2,393	25	59,835	2590.8	25	64,770	3,000	25	75,000
Economics	1	2,406	2	4,812	2,500	2	5,000	3,000	2	6,000
History	3	2,410	5	12,048	2509.5	5	12,548	3,000	5	15,000
Human Services	7	2,446	11	26,910	2586.4	11	28,450	3,000	11	33,000
Organizational Leadership	5	2,450	5	12,250	2525	5	12,625	3,000	5	15,000
Computer Science	6	2,833	22	62,337	2833.5	22	62,337	3,000	22	66,000
School of Music	37	2,858	98	280,124	2979.5	98	291,991	3141.1	98	307,826

	220		453	1,138,062		453	1,229,315		453	1,391,143
Civil & Mech Engineering	3	3,778	4	15,114	3778.4	4	15,114	3828.9	4	15,316
Theatre	5	3,375	10	33,750	3525	10	35,250	3775	10	37,750
Elect & Computer Engineering	3	3,200	4	12,800	3200	4	12,800	3391	4	13,564
School of Polytechnic	17	2,904	33	95,819	2947.8	33	97,277	3154	33	104,081