



WARTBURG AAUP

"Committed to Academic Excellence"

NEWSLETTER

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AAUP FACULTY DINNER: PROFESSOR TELLS TALE OF TWO PRESIDENTS

Attendees at the annual AAUP fall faculty dinner (September 24 at the Waverly Country Club) heard Jim Wiest, professor of sociology at Hastings College in Hastings, Nebraska, tell the story of starkly contrasting governance conditions under two Hastings College presidents.

Wiest related how, during the tenure of Hastings's last president, the college failed to thrive in large part because of that president's inability to share decision-making power. After he was fired by the governing board, Hastings economics professor Phil Dudley took his place and began the transformation that has made Hastings a model of shared governance, as it is described in the AAUP's classic *Statement on Government of Colleges and Universities*.

The early part of his talk was spiced with humorous anecdotes about the despotic ways of the former president, who had a special talent for alienating staff and faculty. But Wiest grew serious when he detailed the college's accomplishments under Dudley. Dudley, he said, recognized that giving the faculty more of a role, not only in their areas of primary responsibility but in all levels of institutional decision-making, could only make for better decisions. That Dudley was correct seems to have been borne out by subsequent improvements in both academic quality and financial health (for the latter, see tables below on endowments and debt-to-assets ratios).

According to Wiest, one of Dudley's first actions was to approach the faculty leadership and ask them to design a governance system that would give the faculty more authority in college governance. The result was a faculty senate (a structure that Wiest, incidentally, recommended strongly to his Wartburg audience). Dudley's next initiative was to bring board members, administrators, and faculty together on small teams that divided up the task of formulating a long-range strategic plan for the college.

Other governance innovations included creating a position on the board of trustees and on the president's executive committee for the faculty senate president. In the area of financial decision-making, Dudley instituted the practice of sharing the entire proposed annual budget with the full faculty for discussion and revision before presenting it to the board of trustees. And this spring Dudley asked the faculty to evaluate him using the IDEA Feedback for Administrators survey. The tabulated results, which showed particularly high scores in ratings connected to shared governance, were distributed to every member of the faculty and to the governing board.

As a faculty leader (having served as president both of the AAUP chapter and of the faculty senate), Wiest was instrumental in realizing these accomplishments, especially the redesign of the governance structure. He also spearheaded an effort to obtain national recognition for Hastings's governance achievements. That effort culminated this June at the AAUP's annual meeting in Washington, D.C., when the Association honored President Dudley and Hastings College by conferring upon Dudley its prestigious Ralph S. Brown Award for "outstanding contributions to the practice of shared governance."

WITH BENEFITS ADDED, WARTBURG FACULTY COMPENSATION LOOKS SLIGHTLY BETTER

The table below ranks average Wartburg salaries *and* benefits over the past five years with those from other Iowa and Midwestern colleges. Except for Grinnell and Augustana-Sioux Falls, all these schools have been designated "benchmark" institutions by the Ohle administration. When only salaries are considered, Wartburg averages around ninth place over the five-year period. However, as the table indicates, when benefits are added to salary (total compensation), Wartburg averages a little below seventh.

The data in the table come from the AAUP's annual salary report, which is published every spring in the March-April issue of *Academe: Bulletin of the American Association of University Professors*. Schools themselves report their salary information to the AAUP. Please note that Wartburg does not report the salaries of non-tenure-line (titled) faculty. Salary figures are in thousands of dollars, rounded to the nearest hundred. Benefits in thousands of dollars are given in parentheses.

Average Salary plus Average Benefits at Selected Colleges, 2000-2005

	<u>2000 - 01</u>	<u>2001 - 02</u>	<u>2002 - 03</u>	<u>2003 - 04</u>	<u>2004 - 05</u>
Grinnell.....	65.9 (18.2).....	Grinn ..68.0 (19.0).....	Grinn ..70.5 (19.2).....	Grinn ..73.3 (20.0).....	Grinn...75.4 (20.8)
Coe.....	50.8 (19.3).....	St. O55.9 (14.2).....	St. O57.7 (15.2).....	St. O58.0 (15.7).....	Coe63.9 (19.3)
St. Olaf.....	53.5 (12.1).....	Coe.....51.2 (18.7).....	Coe.....52.3 (18.6).....	Coe.....53.4 (18.3).....	St. O.....59.5 (17.3)
Gustavus Adolphus.....	52.6 (12.4).....	Gust.....54.4 (12.8).....	Gust.....54.9 (15.3).....	AugIL ..56.1 (14.6).....	Gust.....57.4 (15.7)
Augustana, IL.....	51.4 (13.3).....	AugIL ..53.1 (13.7).....	AugIL ..54.7 (14.6).....	Luth ..52.8 (16.8).....	AugIL ..57.8 (15.2)
Luther.....	48.7 (14.9).....	Luth.....49.9 (15.9).....	Luth.....50.4 (16.7).....	Gust55.8 (13.3).....	Luth.....54.9 (17.4)
Cornell.....	52.0 (11.5).....	Corn.....52.5 (11.4).....	Wart...48.8 (16.7)	Wart...51.8 (15.6)	Wart...53.0 (16.5)
Wartburg.....	46.8 (14.3)	Wart...47.0 (15.4)	Simp49.8 (14.1).....	Corn52.8 (12.8).....	Simp53.2 (14.7)
Simpson.....	46.8 (11.8).....	Simp49.7 (12.3).....	Corn.....51.1 (12.3).....	Simp....52.1 (13.4).....	Corn54.3 (12.7)
Nebraska Wesleyan.....	46.3 (12.1).....	NebW ..48.5 (13.4).....	NebW ..49.8 (13.4).....	Cent....48.4 (14.5).....	Conc....52.1 (11.2)
Concordia, MN.....	46.9 (9.9).....	AugSD 45.2 (13.5).....	AugSD 46.6 (13.6).....	Conc...50.9 (11.9).....	AugSD 48.3 (14.8)
Augustana, SD.....	44.0 (12.5).....	Cent.....47.0 (10.6).....	Conc.....49.5 (10.2).....	AugSD 48.6 (12.1).....	Cent....49.7 (13.3)
Central.....	44.9 (10.7).....	Conc.....47.9 (9.6).....	Cent.....46.6 (12.1).....	Loras...48.9 (11.1).....	NebW..48.9 (12.6)
Loras.....	44.3 (10.0).....	Loras...44.6 (10.3).....	Loras...46.7 (11.7).....	NebW ..48.7 (11.3).....	Loras ...39.4 (10.0)

— Warren T. Zemke and Greg Scholtz

AY 2003-2004 PRESIDENTIAL SALARIES AT SELECTED INSTITUTIONS COMPARED

The table ranks presidential salaries for the same institutions used in the article on faculty salaries, above, with the addition of Hastings College (see article on page 1).

Grinnell.....	\$416,850
Wartburg.....	\$221,650
St. Olaf.....	\$205,000
Augustana, IL.....	\$200,000
Gustavus Adolphus.....	\$197,450
Luther.....	\$187,635
Coe.....	\$177,786
Simpson.....	\$176,985
Central.....	\$175,000
Cornell.....	\$165,000
Augustana, SD.....	\$154,420
Loras.....	\$151,524
Nebraska Wesleyan.....	\$143,518
Hastings.....	\$142,749
Concordia, MN.....	none reported

Source: IRS Form 990s for the 2004 fiscal year, the most recent available.

Note: Salary figures do not include such usual presidential perquisites as house, car, maid service, and expense account.

IN AY 2003-04 TOP WARTBURG ADMINISTRATORS RECEIVED AVERAGE RAISES OF 7.8%

Below are Wartburg's top five administrative salaries for the 2003 and 2004 fiscal years (the most recent for which figures are available). This information is taken from Wartburg's IRS Form 990s (available at <<http://www.guidestar.org>>).

	<u>02-03 pay</u>	<u>03-04 pay</u>	<u>% change</u>
John R. Ohle, president.....	188,000.....	221,650.....	17.9%
David Ostrander, VP, development.....	108,000.....	114,292.....	5.8%
Ferol Menzel, VP, academic affairs.....	108,000.....	113,400.....	5.0%
Alexander F. Smith, VP, student life.....	98,000.....	102,616.....	4.7%
Edith Waldstein, VP, enrollment management.....	94,000.....	99,355.....	5.7%

N.B.: Across-the-board faculty raises for the 2003-04 academic year were 2%.

WARTBURG'S ENDOWMENT HAS GROWN 10.9 PERCENT IN THE LAST SIX YEARS

According to Rich Seggerman, as of May 31, 2005, the market value of Wartburg's endowment investments was approximately \$36.7 million, \$3.6 million more than it was in AY 1998-99, when it stood at \$33.1 million. As the Commission Wartburg task force on facilities and financial management noted in its original report (issued May 18, 2000),

The college's endowment for 1998-99 reached \$33.1 million in market value. Although the endowment has increased 29 percent in the last 10 years and by \$13 million in the last five years, Wartburg has much to ac-

comply to match and exceed the endowments of its competitors. The future growth of the college will be dependent on the ability to reduce the dependence on student tuition.

In this same report the task force set the Commission Wartburg goal of reaching \$100 million in endowment funds by year 2010.

WARTBURG'S 2004 ENDOWMENT PER STUDENT COMPARED WITH SELECTED SCHOOLS

The table shows 2004 endowment in millions (rounded to the nearest thousand), total student enrollment, and endowment per student, with schools ranked according to the last figure. Institutions included are the same as those included in the article on presidential salaries, above.

<u>Institution</u>	<u>Endowment¹</u>	<u>Enrollment</u>	<u>Endow per Student</u>
Grinnell.....	1,300.0.....	1,556.....	835,475
Buena Vista.....	110.5.....	1,276.....	86,207
St. Olaf.....	190.8.....	3,046.....	62,639
Cornell.....	63.8.....	1,155.....	55,238
Hastings.....	49.3.....	1,105.....	44,615
Coe.....	56.3.....	1,336.....	42,141
Augustana, IL.....	87.4.....	2,309.....	37,852
Central.....	62.0.....	1,750.....	35,428
Gustavus Adolphus.....	78.3.....	2,577.....	30,384
Simpson.....	58.0.....	1,953.....	29,698
Luther.....	73.6.....	2,573.....	28,605
Concordia, MN.....	65.8.....	2,812.....	23,400
Augustana, SD.....	34.4.....	1,770.....	19,435
Wartburg.....	35.0.....	1,804.....	19,401
Nebraska Wesleyan.....	32.9.....	1,797.....	18,308
Loras.....	23.6.....	1,618.....	14,586

¹Endowment figures are in millions of dollars.

Source: Yahoo!Education <<http://education.yahoo.com/college/facts/>>. Figures are from last fall.

WARTBURG'S DEBT-TO-ASSETS RATIO COMPARED WITH SELECTED COLLEGES

An institution's debt-to-assets ratio is a common means of analyzing its financial health. It is calculated by dividing total debt (both current liabilities and long-term debt) by total assets (both fixed and current). Grinnell's ratio of 4.9%, for example, means that creditors have supplied about five cents of every dollar of the college's assets. Schools included are the same as those in the previous article.

	<u>Debt in \$millions</u>	<u>Assets in \$millions</u>	<u>Ratio as percentage</u>
Grinnell.....	75.9.....	1,544.6.....	4.9
Hastings.....	12.8.....	95.8.....	13.4
Cornell.....	17.2.....	125.7.....	13.7
Gustavus Adolphus.....	39.6.....	208.8.....	19.0
Simpson.....	21.2.....	106.6.....	19.9
Coe.....	27.7.....	115.4.....	24.0
Augustana, SD.....	19.0.....	77.6.....	24.5
St. Olaf.....	99.6.....	396.3.....	25.1
Luther.....	50.4.....	175.0.....	28.8
Nebraska Wesleyan.....	28.3.....	88.3.....	32.0
Augustana, IL.....	57.0.....	174.9.....	32.6
Central.....	52.7.....	148.6.....	35.5
Wartburg.....	63.3¹.....	145.7.....	43.4
Loras.....	47.6.....	90.0.....	52.9
Concordia-Moorhead.....			not reported ²

Source: IRS Form 990s for the 2003 fiscal year, available at guidestar.org.

¹ This figure includes \$5,670,332 in accounts payable and accrued expenses, \$2,935,910 in grants payable, \$63,551 in deferred revenue, \$4,723,896 in other liabilities, and \$49,938,890 in long-term debt, most of which was incurred in 2002 when the college obtained \$50,000,000 from a bond issue through the Iowa Higher Education Loan Authority, "secured by a mortgage on all real estate comprising the College campus," in order to fund the construction of the science building, the student center, and other buildings as well as to refinance other loans.

² On the basis of its being a religious institution, Concordia claims to be exempt from federal tax laws requiring charitable institutions to file the IRS Form 990.

FACULTY SURVEY: MORALE STILL LOW BUT AGREEMENT WITH AAUP VALUES HIGHER

Every three years the Alexander Astin-directed Higher Education Research Institute at UCLA conducts a national survey of faculty opinion, and Wartburg participated in both 2001-02 and 2004-05. In November 2002, the *AAUP Newsletter* summarized the results of 2001-02 survey under the title "National Survey Indicates Wartburg Faculty Morale Low."

A glance at the results of the latest survey (available from the Office of Institutional Research) finds little, if any, change for the better in the last three years. For example, 50% of Wartburg faculty surveyed this time around say that they have considered leaving Wartburg for another institution in the last two years—compared with 37% at benchmark colleges (Augustana-Rock Island, Central, Cornell, Gustavus, St. Olaf, and Nebraska Wesleyan). Only 56% of Wartburg faculty members claim to experience considerable “joy” in their work—in contrast to 69% at benchmark schools and 70% at all private four-year colleges. “Institutional procedures and red tape” are again named as a source of stress by 77% of respondents, while only 56% of faculty at benchmark institutions feel this way. Only 45% of Wartburgers tag “relationships with administration” as “satisfactory or very satisfactory” down 3% from 2001-02, and 15% lower than faculty at benchmark and all private four-year schools. Not surprisingly, only 54% of Wartburg faculty think that “faculty are sufficiently involved in campus decision making.” At benchmark schools the figure was 71%.

In regard to AAUP and AAUP issues, there are several additional items that are worthy of note. One is that 35% of the faculty think that they belong to a faculty union (Table 6). Is it possible that these respondents are among Wartburg’s fifty-five AAUP members yet are unaware that the Association is not a labor union? Or were they merely engaging in wishful thinking? Other AAUP-related responses are found in Table 17, which contain a couple of items on academic freedom and tenure. It is gratifying to see that only 18% of Wartburg faculty think that “tenure is an outdated concept,” in contrast to 34% of faculty at all privates. And it is encouraging to see that only 11% of our faculty believe that “college officials have the right to ban speakers with extreme views,” down from 26% three years ago and significantly lower than the figures for the comparison groups (21% for the benchmark schools and 32% for the other group).

Having merely called attention to a few of the more interesting clusters of responses, I share the hope, expressed by Professor Bouzard and others, that there will soon be an opportunity for substantive conversation about this survey.

—Greg Scholtz

ENROLLMENTS RISE YET AGAIN; ACADEMIC PROFILE CHANGES LITTLE

This fall’s total enrollment of 1,811 is the highest ever, surpassing last year’s record of 1,804. Wartburg has now experienced ten years in a row of record enrollments and twelve consecutive years of enrollment growth, thanks primarily to the hard work of our admissions and financial aid staff.

While the academic profile remains fairly static in most respects, it is worth noting that in the last three years the college seems to be at least heading in the direction of one Commission Wartburg goal—to reduce “the number of students who rank in the bottom one-half of their high-school graduating class to under 10 percent” and, ultimately, “6-8 percent.” Only 11% of this year’s entering freshmen graduated in the bottom half of their high-school class, the lowest percentage since 1997.

Average ACT composite scores, however, have gone nowhere in the last five years, despite the Commission goal to raise the 25th to 75th percentile range of composite ACT scores to 23-28. In the spring of the 1999-2000 academic year, when Commission Wartburg issued its report, the average ACT composite score for the incoming class was 24.2 (see table), and the 25th to 75th percentile range of composite scores was 21-27. Wartburg’s current 25th to 75th percentile range is 21-26.

Academic Profile of Incoming Classes—1994-2005

<u>FALL</u>	<u>% in top 10% of grad class</u>	<u>% in bottom 50% of grad class</u>	<u>Wartburg ACT composite avg.</u>	<u>National composite avg.</u>	<u>Iowa composite avg.</u>
1994	42%	8%	24.6	20.8	21.9
1995	35%	11%	24.3	20.8	21.8
1996	33%	11%	23.6	20.9	21.9
1997	38%	8%	24.3	21.0	22.1
1998	29%	13%	24.1	21.0	22.1
1999	35%	14%	24.2	21.0	22.0
2000	31%	14%	23.7	21.0	21.4
2001	36%	15%	24.1	21.0	22.0
2002	29%	13%	23.8	20.8	22.0
2003	31%	15%	23.7	20.8	22.0
2004	34%	12%	23.7	20.9	22.0
2005	31%	11%	23.7	20.9	22.0

Source: Office of Enrollment Management