



Oregon University System

Office of the Chancellor

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May 2, 2011

Gary Blackmer
Director
Oregon Audits Division
255 Capitol Street NE, Suite 500
Salem, OR 97310

Dear Mr. Blackmer,

On behalf of the Oregon University System, thank you for the efforts of your staff in completing the recent audit on faculty work, "Oregon University System: Improve Management of Faculty Workload."

As requested, below are the OUS responses to the eight recommendations. If you have any questions about these, please contact Patricia Snopkowski, OUS Chief Auditor/Executive Director, Internal Audit at 541-737-0505 or Patricia_Snopkowski@ous.edu.

OUS Responses to OAD Recommendations in Audit Report:

EXECUTIVE SUMMARY

We extend our thanks to the Oregon Audits Division (OAD) for the report issued May 1, 2011, entitled, "Oregon University System: Improve Management of Faculty Workload." We recognize that this audit was not conducted to fix a problem, but rather to help OUS develop tools for our continuous improvement. Like the Oregon Audits Division, we are mindful of the cost of education and seek every opportunity to provide quality education at the lowest cost possible. We note that recent national data show clearly that Oregon's public universities spend less per student and less per degree awarded than almost all other public universities in America. But despite that efficiency and the unquestioned hard work of our faculty, we continue to seek ways to reduce cost without compromising quality. To that end, the recommendations in the OAD report will be helpful as we seek to improve efficiency. Our focus is on outcomes: on meeting performance targets for educating Oregonians and providing research and services to energize the economy and communities throughout our state.

The following comments address topics covered in the report. OUS takes the OAD recommendations very seriously, and we will use them to help us become more effective in meeting Oregon's education goals, focusing on outcomes for the investments made and on minimizing cost without sacrificing quality in instruction, research, or service.

MONITORING FACULTY WORKLOAD AND SETTING WORKLOAD EXPECTATIONS:

The OAD questions how faculty time is accounted for and its impacts on efficiency. Faculty members are salaried, not hourly employees and do not maintain a detailed accounting of the time they spend on the various aspects of their complex professional work. Expectations are set for the amount of effort each faculty member devotes to teaching, research and service, but these are guidelines rather than a precise chronicling of hours and vary based on discipline and professional level.

The core elements of the Oregon University System mission—teaching, research/scholarship, and service – are inextricably linked and embodied in the faculty who are charged to carry out that mission. Although all tenure-related faculty in OUS perform all of these functions, the expectations about and proportion of time allotted to each function varies depending on the particular academic discipline, institution mission and program focus. Teaching, research and service are not mutually exclusive activities—each needing to have separately documented work hours, and there is considerable overlap among these faculty work components. The contributions made by faculty need to be viewed holistically, not as three mutually exclusive functions. For all OUS universities, the products of faculty research and scholarship are integrated into the curriculum.

How much time a faculty member spends on research and scholarship is dependent on the mission of her or his university, the discipline or field in which s/he is working, and the complexity of the issues being studied, and the resources available. Engaging in research and scholarship is a unique and essential function of university faculty. The importance of research to OUS faculty and the state is reflected in our continued top 10 national ranking in federal research dollars per faculty member. To put this into perspective, OUS earns at least as much each year from the federal government to support research as it receives in state appropriations to support student instruction.

The OAD staff were concerned that OUS did not monitor and track the time a faculty member spent on non-funded research and scholarship. While much research is funded by the state and/or the federal government, some of it is not funded externally. The value and significance of research, scholarship and professional development is not reduced by the lack of external funding nor should it be restricted to those matters which attract external funding. Determining whether academic output – whether a chemistry text book or a breakthrough in nano-technology – was produced efficiently is not achieved simply through a time and motion study. Most breakthroughs are the result of many years of thought and experimentation—often conducted before any external funding is generated. Measures of efficiency based solely on how long it took a faculty member to write a book, make a new scientific discovery, or help a community with important social issues are not answering the question of faculty efficiency or effectiveness. OUS holds as a solid precept that faculty work requires accountability at all levels (individual faculty member, department, college, university, and system) and university and system structures and third party accreditation ensure that, using national quality standards. We do not believe that the type of work in which faculty are engaged lends itself to the kind of hourly monitoring suggested in the OAD report.

HOW DEPARTMENTS MANAGE WORKLOAD:

The OAD questions the structure of academic departments and its impact on accountability. Team (department, college, and university) costs and results are standard and reliable measures of productivity used in Oregon and nationally. As a measure of efficiency, the cost per degree in Oregon is among the lowest in the nation.

Every faculty member is assigned to an academic department and although faculty are afforded flexibility for reasons that are necessary to allow them to explore new pedagogies and scholarship, decisions on workload are made keeping in mind the obligations and productivity of the department as a whole, and within the context of overall university and statewide goals. Yes, there is some autonomy afforded faculty, but no single faculty member has the ability to act as a sole agent. Expectations for faculty workload are set at the department, college and university levels.

The OAD report raises questions about the universities' departmental leadership structure and the limited term appointments of chairs. This structure exists not only in our OUS institutions but in higher education institutions throughout this country and in much of the world. Department chairs are seldom full time administrators (and in fact, for many departments that would be a waste of precious resources). Department chairs are members of the faculty and as such, although they provide leadership for their departments, they still carry faculty responsibilities in teaching, research and service. Many chairs take on the responsibility for only a few years because doing so for much longer could have negative consequences on their teaching and research, as well as their credibility with other faculty. It is true that some OUS department chairs come to the job with little or no management experience or leadership training. This is acknowledged by the universities, and all OUS institutions have programs or supports in place to assist in training and mentoring new department chairs, as well as to continue the professional development of continuing chairs. These efforts will continue to be enhanced.

In higher education peer-based assessments and decisions are seen as an effective means to facilitate a clear understanding of each discipline within each department. They provide for mentoring of faculty and knowledge on the part of the department chair as to what each faculty member in that field needs in order to be successful. As part of a faculty governance structure, tenure-related faculty provide leadership to and management of their universities, shoring up the academic and administrative infrastructure through direct service and support. There are statutes and policies that document the central role of faculty in the governance of OUS institutions (ORS 352.010 Status of Faculty; Board Policy on Executive Leadership and Management Section (F) Presidential Authority (6), (7), and (8)). Shared governance at universities is recognized as a good practice across the country.

MANAGING COURSE OFFERING AND FACULTY WORK:

The OAD questions if OUS institutions are managing course offerings in an efficient manner. Course management starts with each department developing a set of learning objectives – what every student who graduates with that major should know and be able to do. It is from these objectives that the curriculum is developed and course offerings are determined. Faculty members take responsibility for developing and teaching courses and assuring that those courses are aligned within the overall curriculum based on that member's discipline-specific expertise. Faculty must constantly balance their time between teaching and their scholarly and service commitments. This balance illustrates the primary responsibility for learning held by faculty members and how new knowledge is brought to bear on societal needs through teaching and service.

The management of course offerings is a critical function and is one taken seriously by OUS. All of our universities have enrollment management plans and processes to determine student demand for courses. An examination of what the offerings and enrollment were in the previous year is used to help determine course offerings for the following year. OUS has policies governing the offering of low enrollment classes and majors and has focused considerable attention on addressing high demand bottleneck courses in order to ensure students can make progress toward degrees. Further, attention is paid by each university

to offer courses in specific sequences to make sure students make progress toward degrees in a timely manner.

All OUS institutions have rigorous standards for promotion and tenure, for post-tenure review, and for merit salary increases (when available), all of which link advancement to success in teaching, research and service accomplishments. Faculty who fail to meet departmental/college and university articulated expectations, which are approved at the level of each university's chief academic officer (provost), will not be granted tenure (and, therefore, continued employment), will not be promoted, and will not see merit salary increases.

The OAD cites class waitlists as a means to track unmet instructional needs. Waitlists do have value, but may not always be a good indication of student demand. For example: a course offered at 10 am might have a large waitlist and the same course offered at 8 am has no waitlist, showing that in this case it might be a time/convenience issue and not an issue of available seats. Other factors that affect section offerings include lack of available classroom or laboratory space at a given time because of campus facility constraints. Record enrollment demand has forced some campuses to offer science and other lab sections late into the evenings, because of finite lab space. Departments have an obligation to make sure that classes are available to the full range of students. This means offering courses at different times of the day and evening, during different terms, and even different years. The OAD suggestion to develop waitlists for courses is a good one and will be pursued, keeping in mind the issues noted above.

UNIVERSITY RESOURCES:

The OAD questions if university resources always are used effectively. The university resources section of the OAD report does not accurately reflect the financial elements necessary to draw conclusions about efficiency and wise decisions about faculty time. The data represented in the OAD report related to an affordability index, not a university system cost index. The data include several factors in the calculation, with need-based financial aid provided by the state (through Oregon Student Assistance Program) weighted the same (20%) as tuition costs. Average median income, a factor over which OUS has no control, also is a factor. State appropriations are the largest single factor influencing tuition costs, the relationship to faculty efficiency is not clear in the report.

The biggest contributor to tuition costs and net affordability for students in Oregon, as in all other states, is the level of state appropriations that support the universities and underpin a state's financial aid programs. Oregon's per student support from state appropriations has fallen rapidly and is now among the lowest in the country (45th). That has led to tuition increases so that universities can offer quality instruction. Despite that fact, Oregon's tuition for resident students in recent years has increased at less than that for the average state (according to recent data from the National Governors' Association). And, Oregon's total cost of instruction per student and per degree (from all sources of income) ranks near the bottom of that for all states in the country, according to an independent national study released last year.

Data published by the National Governors Association (NGA) Center for Best Practice shows Oregon’s educational and relative spending per completion for 2008 at our public institutions as being approximately \$20,000 below the United States average.

That same source also shows Oregon’s percent change in in-state tuition from 2004-05 to 2009-10 as being 6 percentage points below the national average.

ENROLLMENT AND GRADUATION:

The OAD does not link OUS’ very large enrollment increases with the relatively flat number of faculty FTE. Although the OAD report provides data on both the increase in student enrollment and a relatively flat five-year headcount of instructional faculty and graduate assistants, these two variables are not viewed holistically. OUS institutions are teaching more students without a commensurate increase in the numbers of faculty.

The ratio of FTE students to full-time faculty has been used by OUS and universities nationally as one of the quantitative indicators of the quality of teaching and learning experienced by students. The OUS student/faculty ratio reflects not only the number of students in classes, but also the load placed on faculty for other instruction related activities, such as advising, mentoring, and curriculum development.

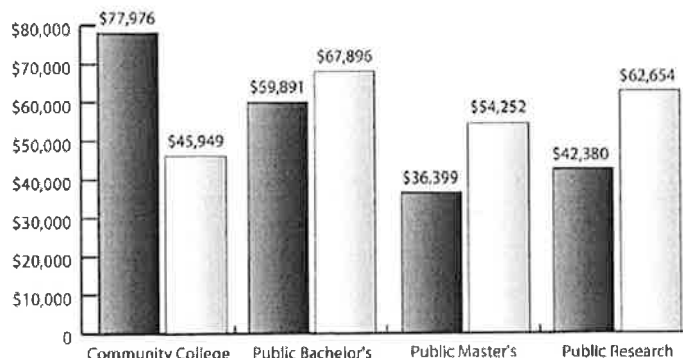
MONITORING AND REPORTING EFFORTS COULD BE IMPROVED:

The OAD report states that OUS does not look at costs, demand for classes, or time spent with students. OUS completes a “Cost of Instruction by discipline, by student (and course) level” every fall. OUS also completed extensive cost research when developing the Resource Allocation Model or RAM – including analyzing nationally available cost of instruction studies for comparison. For course demand, OUS has a rigorous method for completing annual, collaborative Enrollment Projections by campus, by discipline (department) and by student level.

There is a significant amount of work on the part of the faculty every year to make sure that their courses are current, relevant, take into account the latest technologies and methods of teaching, are of value to students, and are of the highest quality.

Education and Related Spending per Completion (2008)

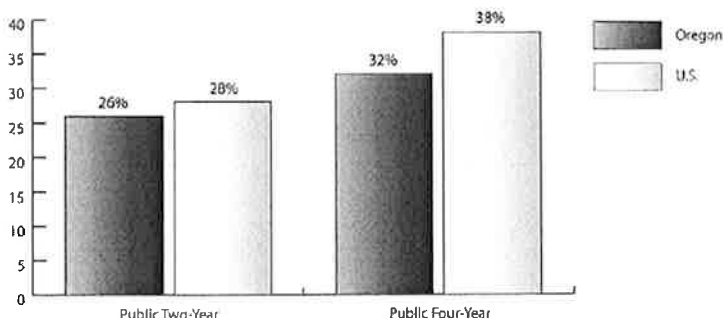
This indicator provides another view of output in relation to input—how much it costs to and degrees by institution type.



Source: Delta Cost Project

Percentage Change In In-state Tuition (2004-05 to 2009-10, not adjusted for inflation)

This indicator gauges the degree to which state colleges and universities have used tuition as a funding source during the recent economic downturn.



Source: The College Board

A faculty member's teaching obligations go beyond the classroom. Faculty are very involved in supervising students in internships, creating service learning opportunities, taking students on field study, and mentoring and advising them. These activities and preparations are often not tracked in terms of counting credit hours, but are of incredible value to students and enrich their learning experiences in many ways, as well as being a major factor in student retention and preparation for real experiences in the workplace.

Mention is made in the OAD report of workload reporting requirements and reports in other states (Nevada and Utah) as examples of how faculty workload is tracked at a system level. We have read those reports carefully, and in fact, those sources do not always seem to support many of the assumptions and conclusions in the OAD report. For example, the Nevada report makes some important notes about the limitations that impact their analysis and reporting that are not acknowledged in the OAD report. These cited limitations include such observations:

- *“Faculty heavily involved in doctoral education have reduced instructional workload expectations, a factor that must be taken into consideration when analyzing aggregated teaching loads at the universities.”*
- *“Department chairs usually have discretion when assigning faculty workloads and may tailor assignments to particular faculty members’ academic preparation, interests and talents to support the institution’s mission and student demand. Because of this it would not be unusual in a single department to find one faculty member teaching 3 or 4 courses per term while another teaches two courses and conducts a major research project as well.”*

RECOMMENDATIONS:

OUS views the list of recommendations as valuable tools for OUS to diagnose and take corrective action in specific areas where promised performance metrics might fall short of expectations. However, the System should be held accountable for outcomes relative to inputs, and since OUS is generally among the lowest cost/degree systems in the nation and among the highest research funding/faculty FTE systems among the states, the System clearly will be looking for sub-areas of possible low performance and selectively applying as appropriate some of the tools proposed on a case by case basis.

With that in mind, we offer the following general responses to the recommendations.

Recommendation 1: “Ensure universities regularly review faculty workload and take action where efficiencies can be achieved without adverse impacts on instruction.” Working with the Provosts of the universities and the Board’s Academic Strategies Committee, OUS will ask each university to examine its current processes to determine how best to implement this recommendation in alignment with its individual mission, but with the important distinction that adverse impacts on research and service also should be considered.

Recommendation 2: “Incorporate efficiency measures into its strategic plan.” The recent performance compact proposed by the Oregon University System includes an important dimension of efficiency. The Chancellor’s Office will request the Board’s Governance and Policy Committee to consider if the measures already adopted by the Board are sufficient to assess the effectiveness of OUS in providing high quality instruction, research and service at the lowest reasonable cost.

Recommendation 3: "Develop OUS guidance on instructional and other workload expectations." The Chancellor's Office will work with the Provosts and the Board's Committee on Academic Strategies to develop such guidance consistent with the individual missions of the seven universities.

Recommendation 4: "Ensure universities set clear and specific instructional expectations for each department." The Chancellor's Office will ask each university Provost to determine the appropriate level at which to establish any such expectations and the appropriate nature of such expectations, given the mission of the university, the requirements of applicable collective bargaining agreements, and the flexibility that may be necessary to accomplish that mission in furtherance of the Board's goals for Oregon.

Recommendation 5: "Routinely gather and analyze information on all areas of faculty workload activities in all universities and departments. Develop periodic reports at all levels of university administration on instructional practices and workload, identifying areas where possible efficiencies can be achieved." The Chancellor's Office will request each university to review its processes for determining and assigning the teaching, research and service work of its faculty to ensure that efficiencies are identified and considered, and to report periodically about the efficiencies considered and those implemented.

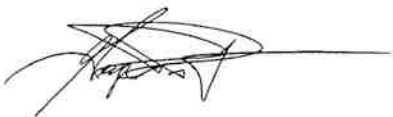
Recommendation 6: "Incorporate these workload expectations into university performance evaluations." Universities already evaluate faculty through extensive and intensive tenure and post tenure review processes that assess the productivity and scholarship of each faculty member. The overall performance of each university and its president is assessed each year with respect to the achievement of goals set by the president and of performance outcomes established by the Board of Higher Education.

Recommendation 7: "Ensure universities provide any needed guidance and assistance to department heads so they can apply and follow through on workload expectations." This recommendation will be implemented in light of the actions taken in response to Recommendations 1, 3, 4, and 5 and the universities will share their most effective training and mentoring practices for the support of department chairs.

Recommendation 8: "Adjust course offerings within and among the universities by consistently tracking unmet instructional needs, and continue monitoring low enrollment courses to identify under-enrolled or unnecessary courses that could be eliminated." Each university will be requested to review its existing practices in light of this recommendation, which is consistent with current Board policies, and to identify appropriate opportunities for collaborative approaches to fulfill the "unmet instructional needs" noted in the recommendation.

Thank you for the opportunity to provide this response.

Sincerely,

A handwritten signature in black ink, appearing to read "George Pernsteiner", with a long horizontal line extending to the right.

George Pernsteiner
Chancellor

cc Patricia Snopkowski, OUS
Sona Karentz Andrews, OUS
Paul Kelly, State Board of Higher Education