



# South Carolina Commission on Higher Education

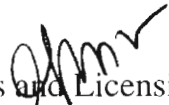
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ACAP  
Agenda Item 4  
7/17/2008

Dr. Garrison Walters, Executive Director

July 17, 2008

## MEMORANDUM

**To:** Members, Advisory Committee on Academic Programs  
**From:** Gail M. Morrison, Director, Division of Academic Affairs and Licensing 

### Consideration of Nursing Salary Allocation

#### Background

The Critical Needs in Nursing Initiative Act provides for \$1 million this year to be distributed to accredited programs of associate and baccalaureate nursing programs in South Carolina's public institutions of higher education for the academic year 2008-2009. This is the second year in which this allocation is to be made. Last year, the distribution was carried out using a formula based solely upon the number of FTE faculty positions at the eligible public institutions.

In the document which accompanied last year's distribution, and in subsequent public meetings about this year's distribution, it was stated that the Commission would develop another distribution formula which would take into account and be consistent with the formal criteria used for funding public higher education programs in South Carolina. Thus, on June 17, 2008, Mr. Gary Glenn presented to the Deans and Directors of Nursing Education the proposed CHE model for distributing this year's \$1 million legislative allocation. In the discussion which took place after Mr. Glenn's presentation, the group requested that the CHE staff share with them the data underlying the development of the proposed methodology prior to the mailing for this meeting of the Advisory Committee on Academic Programs (ACAP.) That was done on June 20, 2008, by letter to Dr. Peggy Hewlett, this year's chairman of the Deans and Directors group.

At that same meeting the Deans and Directors indicated that the CHE staff had never responded formally to their proposed methodology for distribution of the funds for 2008-2009. The Deans and Directors had proposed continuation of the FTE distribution. In the letter to Dr. Hewlett on June 20, 2008, it was made clear that the staff's methodology was based upon the criteria of rank and sector, since these are used for other higher education program funding. Staff developed two different contingencies—both rooted in rank and sector differentials--to reflect options available at this time. The first of these is the “national faculty rank and sector” model, which staff had presented in December 18, 2008, to the Deans and Directors, but which they had then rejected. The rationale used at that time by the Deans and Directors was that competition for faculty in South Carolina was a function of average salaries for faculty positions, but rather a function of average salaries for Advanced Practice nurses in South Carolina in businesses that the Deans and Directors refer to as “service sector” partners (i.e., principally hospital-based positions).

After the Deans and Directors rejected the first model, CHE staff developed a second model based upon actual faculty salaries in South Carolina, which by their very nature consider rank and sector. This was the model which Mr. Glenn discussed with the Deans and Directors on June 17. While this model, too, initially was rejected, it is our understanding that the Deans and Directors have now revised their view and will accept this model of distribution for the 2008-2009 academic year.

The range of salaries in the “national faculty rank and sector model” which we reported ranged from \$103,776 for Full Professor in the Research Institutions to \$50,340 for Instructors in Comprehensive Teaching Universities and \$57,683 for all unranked faculty at two-year institutions. Attached for your review are the data from the South Carolina public institutions' actual salaries, as discussed by Mr. Glenn at the Deans and Directors' meeting of June 17, 2008, as part of our alternative proposal. You will note that, in using data from nursing faculty members from South Carolina's public institutions of higher education, the average faculty salary in South Carolina for the forthcoming academic year would be \$74,001. (By comparison, the average salary figure for the South Carolina “service sector” was \$72+ thousand per year. According to the position taken by the Deans and Directors, it is the service sector average salary that is the one against which competition for faculty salaries should be based, since it is the service sector that competes for South Carolina nursing faculty and against which institutions must compete for attracting and retaining faculty.)

Please note that the information in the two paragraphs above raises an additional question beyond that of this year's distribution formula for the legislative appropriation of \$1 million. Simply put, beyond agreement by the Commission staff and the Deans and Directors on the baseline for calculating this and future years' average faculty salaries under the Critical Needs Nursing Initiative Act, we must also realize that the legislation states that once the average for the geographical area in which we compete for faculty has

been attained, funds shall be used for the other elements contained in the legislation. *In using the Deans and Directors' preferred average salary (i.e., for the South Carolina "service sector"), we will exceed the average for public higher education nursing faculty with this year's distribution. In using the national rank and sector data, we will reach the average salary with another infusion of \$1.5 million.* Thus, the funds next year necessary to reach the required "average" are either \$0 (zero) or \$1.5 million. Once consensus emerges on the sector appropriate for determining "average salary," other elements contained in the legislation can be addressed. The next legislative priority stipulated in the statute is recruitment of additional faculty members to promote program expansion. Thus, identifying the legitimate basis for "average faculty salary" is imperative at this Advisory Committee on Academic Programs meeting to have those institutional members with accredited two- or four-year nursing programs make a decision concerning the basis for "average faculty salary."

### **Recommendation**

Staff recommends that the Advisory Committee on Academic Programs from institutions with eligible two- and four-year nursing programs recommend to the Commission approval of the distribution methodology as presented in the attachment. Staff further recommends that the Advisory Committee and the Deans and Directors of Nursing Education come to consensus at the earliest opportunity as to what the target "average faculty salary" is for purposes of future legislative funding requests.

Attachment

Full-time Nursing Faculty Salaries - Fall 2007			
	Total Faculty Count	Total 12-Month Salary Conversion	FY 2008-09 Distribution *
			\$1,000,000
			3.514%
Clemson University	25	\$1,993,433	\$70,062
U. S. C. - Columbia	40	3,126,642	109,891
Medical University of South Carolina	27	2,208,257	77,612
Francis Marion University	9	667,276	23,452
Lander University	9	625,881	21,997
South Carolina State University	4	337,011	11,845
U. S. C. - Aiken	15	1,076,183	37,824
U. S. C. - Beaufort	1	**	0
U. S. C. - Upstate	40	2,699,824	94,889
U. S. C. - Lancaster	1	66,667	2,343
Aiken Tech	9	635,997	22,353
Central Carolina Tech	11	736,215	25,875
Florence-Darlington Tech	14	946,031	33,250
Greenville Tech	51	3,603,504	126,650
Horry-Georgetown Tech	15	1,049,715	36,894
Midlands Tech	30	2,003,797	70,426
Orangeburg-Calhoun Tech	11	742,759	26,105
Piedmont Tech	16	999,451	35,127
Spartanburg Community College	10	**	0
Technical College of The Lowcountry	11	757,855	26,636
Tri-County Tech	16	1,055,841	37,109
Trident Tech	31	2,164,283	76,067
York Tech	13	955,796	33,593
	409	\$28,452,417	\$1,000,000
Faculty in Accredited Programs (excludes USCB & SCC)	398	Fall 2007 Avg. Faculty Salary	w/FY 09 Allocation
Average Faculty Salary		\$71,488	\$74,001
			* Adjusted for Rounding
** Programs are not yet accredited.			
The allocation formula for FY 2009 uses actual faculty salaries at each institution as reported to CHEMIS for Fall 2007 (the most recent data available) and applies a fixed percentage increase of 3.514% against those salaries so that all increases totaled \$1 million. The formula considers the institution's full-time nursing faculty costs and the effect that rank, sector, contract period, faculty population, and current salary levels have on that cost and raises the nursing faculty salaries by the same % to equitably distribute the funding.			