

Recommendations FY 2007-2008
Graduate Associates Compensation and Benefits Committee
University Senate
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Introduction

Established as a standing committee of the University Senate in 2005, the Graduate Associates Compensation and Benefits Committee (hereafter GCBC) represents the collective interests of funded graduate students at Ohio State. The committee’s mandate calls for it to “study the adequacy and other attributes of the university’s policies and provisions” respecting graduate student compensation, and thenceforth to “make recommendations” to appropriate university bodies based on its conclusions.¹ The committee currently consists of seventeen members, including nine funded graduate students, four faculty, one staff person, and administrators from the Graduate School, the Office of Human Resources, and the Office of Research. A complete listing of the committee’s active membership can be found at the end of this document. The recommendations contained in this report represent the consensus opinion of this diverse body.

The report is divided into two sections. The first part provides a brief account of the recent history of graduate compensation and benefits initiatives at the university and a summary and assessment of the status quo. The second section analyzes the committee’s three major areas of concern—stipends, fee authorizations, and healthcare subsidies—and makes a series of prioritized recommendations for the administration and deans to consider implementing in these areas over the next several years. The committee hopes that this document will serve as a starting point for conversations about improvements to graduate associate compensation and benefits among relevant parties, and that it will aid the future provost and president in understanding the historical, economic, and

¹ Senate Rule 3335-5-48.18. The act established GCBC as a standing committee of the Senate

philosophical contexts that have shaped graduate compensation policies in the past, and that will continue to shape the trajectory of those policies in times to come.

I. The Past and Present of Graduate Compensation and Benefits at Ohio State

For the past several years the administration of this university has aggressively sought to improve graduate associate compensation as part of its master plan to increase the competitiveness of the institution as a whole. This strategy has reaped immediate tangible rewards both for graduate associates and for the university itself. In 2001, recognizing the importance of graduate associate compensation in the matriculation and retention of superior graduate students, the administration decided to include graduate associates as part of its Competitive Compensation Initiative. Since that time, material benefits have improved considerably for all associates. In autumn 2001 the administration established a monthly minimum stipend of \$900, and three years later raised it to \$1000. In winter 2001 the university began partially to subsidize graduate associates' health insurance premiums, has since increased the subsidy to the current level of 80%, and has committed to raise the subsidy to 85% beginning in autumn 2007. In 2004 the university began to subsidize the healthcare costs of associates' dependents, and last year announced that it would cover those costs at the same rate granted to individual associates.² In 2005 the University Senate established the GCBC so that associates would have a direct voice in deciding the future direction of benefits improvements. Last year the committee successfully argued for the increase in health care subsidies realized in autumn 2006 and autumn 2007.³

² *The 2005 Graduate Quality of University Experience (G-QUE) Status Report*. The report contains a concise summary of these improvements through the time of its publication.

³ SD 2005-42, the Annual Report of GCBC for 2005-2006.

This impressive list of accomplishments proves that over the past six years the university administration has implemented a multifaceted plan to improve the financial and physical wellbeing of its graduate associates. Although data from the Office of Human Resources indicate that few graduate associates earn the absolute minimum stipend, several hundred associates from less well funded units receive monthly paychecks that average less than \$100 above that standard.⁴ Adopting a minimum stipend level has improved the fortunes of those associates from poor colleges, and has caused the average stipend at the university to climb to \$12,862 as of autumn 2005.⁵ According to information obtained from Student Health Services, the number of graduate students enrolled in the Student Health Insurance Plan has risen from 3925 in winter quarter 2000 to 5607 in winter quarter 2007.⁶ While those figures do not distinguish between funded and unfunded students, SHS director Dr. Ted Grace has attributed the rise in enrollment to the university's decision to fund the health care subsidy.⁷ In the same period the number of graduate students enrolling dependents in the program has likewise risen from a low of 653 in 2001 to the current figure of 866. In brief, these numbers prove that the administration's initiatives have created a far more financially stable and healthier pool of graduate associates in 2007 than was to be found in 2001.

These initiatives have likewise improved the university's standings relative to its peer institutions. Although Ohio State still has one of the lowest average stipends among its peers, the net institutional investment in graduate associates, which is defined as the sum

⁴ *Graduate Associate Headcount and Monthly Average Stipend by VP/College and Title, Autumn 2005.* Office of Human Resources.

⁵ *Summary of Graduate Associate Financial Support, Benchmark and Public CIC Institutions. Stipends, Fees, Fee Authorization and Medical Benefits for Autumn 2005.* Office of Human Resources, based on data from the AAUDE Survey of Graduate Stipends, 2005-6.

⁶ *Graduate Student Enrollment in the Student Health Insurance Plan.* Student Health Services.

⁷ Personal correspondence, 1/30/07.

of its average stipends, medical benefits, and total fee authorizations, stood at \$22,228 for resident graduate associates in autumn 2005, ranking the university fifth among its thirteen peers. Ohio State had increased its rank from the previous year, and a speculative report from OHR that reflects the increased healthcare subsidy expected in autumn 2007 while holding all other factors constant would place the university in third place in next year's rankings for both resident and non-resident associates.⁸ The incremental improvements the university has implemented over the past several years have thus not only improved the lot of graduate associates already in residence, but have made it a far more attractive option financially for those who must choose between offers from Ohio State and its chief competitors.

While it is impossible to isolate the role that graduate associate stipend and benefit increases have played in making the university more competitive overall, there can be no question that several indices related to graduate student performance have moved ahead in pace with compensation initiatives. For three years consecutively the university has climbed in the National Science Foundation's rankings of overall research investment to its current position of eighth among all public universities. Such gains would be unimaginable without the pool of excellent graduate students to support faculty research initiatives that increased compensation has brought to the university. Many individual departments across campus have likewise gained in stature over the past several years, and Ohio State's rank in the *US News & World Report* survey, which plays a pivotal role in determining the public image and marketability of the university, has likewise improved. While the performance of graduate students has never played as clear a role in

⁸ *Summary of Graduate Associate Financial Support, Benchmark and Public CIC Institutions.... Using the assumption that the University is sponsoring 85% of single and family coverage.* Office of Human Resources.

the *US News* survey as the reputation of faculty, selection and retention of undergraduates, or alumni giving, the over 4000 graduate research and teaching associates stand at the center of the Ohio State experience, assisting faculty and nurturing the talents of future alumni in the laboratory and the classroom. Put simply, investing in the wellbeing of graduate assistants has reaped great dividends in a variety of areas central to the continuing success of the university's mission. Future investments should only amplify those positive outcomes.

These investments have also made graduate associates self-consciously happier, a fact attested to in the on-line survey of graduate student life completed in spring of 2006.⁹ For example, among male PhD students, 36.3% of funded students reported that they were "satisfied" or "very satisfied" with the level of financial support they receive for healthcare, compared to 9.5% of those who were unfunded. In another telling (if unsurprising) example, only 8.3% of female unfunded PhD students reported satisfaction with stipends, whereas fully 43.3% of female funded students reported themselves as "satisfied or "very satisfied" in that category. The survey revealed that funded students were generally more satisfied with all areas of compensation than those who were unfunded, even in categories where both groups did not receive financial support at all, such as COTA (\$9 per quarter) and Activity Fees (\$93 per quarter). Altogether, the survey revealed that funding status stands as a more likely predictor of overall satisfaction than gender, minority status, or college affiliation. Since the vast majority of funded students at Ohio State are graduate associates, this satisfaction should be attributed to the incremental increases in compensation and benefits that the university

⁹ *Graduate and Professional Student Survey 2006: An Analysis of Graduate Student Satisfaction with Funding by Gender, Race/Ethnicity, and College*. Prepared by Sheila Craft of the Office of Academic Affairs for GCBC.

has pursued in the years since 2001. In summary, funded students at Ohio State are far happier than those who are unfunded, and the root of that happiness is to be found in university policy.

In conclusion, all data available to the committee have indicated that the steady improvement of graduate associate compensation and benefits over the past several years has proven a wise and profitable investment for the university. Life has improved for graduate associates, both in a purely material sense, and in terms of subjective satisfaction. These improvements have made Ohio State a more attractive option for excellent prospective graduate students who receive offers of funding from peer institutions. These excellent graduate students, enticed by competitive compensation and benefits, have in turn improved Ohio State's profile and raised the quality of the work conducted in its labs and classrooms.

II. Recommendations on the Future of Compensation and Benefits at Ohio State

While the committee commends the administration on a job well done, it calls upon it to redouble its efforts to improve graduate associate compensation and benefits over the next several years. For Ohio State to fulfill its goal of becoming a world class institution, it must continue to increase the net institutional investment in graduate students. To do otherwise would be to risk falling behind its competitors among the benchmark institutions. The university should increase that investment in three ways: increases to the minimum stipend, further subsidization of fees, and further subsidization of healthcare costs. This report will now make prioritized recommendations in each of these categories in turn.

A. Priority One: Increasing the Minimum Stipend.

The committee recommends that the university act expeditiously to raise the minimum monthly stipend to \$1256, the amount to be paid to university fellows beginning in autumn, 2007. It further recommends that any future increase to the university fellowship stipend likewise be followed by an equal increase to the minimum graduate associate stipend.

The committee understands well the decentralized nature of the university budget and the roles that both that budgetary model and external market forces play in the determination of each college's stipendiary expenses. No matter how poor a unit may be, however, the committee agrees with previously articulated university policies that have sought to ensure a minimum level of compensation for its graduate associates, regardless of the consequences for individual units. The current minimum stipend of \$1000 monthly has not been raised since 2004, and the committee believes it is time once more to raise it. Ohio State currently pays university fellows \$1200 per month, with the expectation that a fellow will not pursue outside work and will live entirely from the fellowship stipend; recently, the graduate school announced that it would raise that sum to \$1256 per month in autumn of 2007. If this sum can be taken as the university's self-imposed definition of a living wage, then all graduate associates should likewise be entitled to this minimum.

At a time when both the United States Congress and the people of Ohio have overwhelmingly voted in favor of minimum wage increases, the administration should seize upon the popular sentiment that all honest work is worth a dignified wage, and agree that the over 800 graduate associates currently earning less than \$1200 per month

deserve better. This action would not only prove popular in the current political climate, but would also increase the university's overall competitiveness. The average monthly stipend and the overall net institutional investment in graduate associates would be raised immediately, and would undoubtedly cause Ohio State to jump ahead in those rankings among its peer institutions.

The colleges that would be affected by the increase, notably Education & Human Ecology, Social Work, and Arts, would have to make some difficult decisions about how to finance the raise, but the increased pay that their prospective graduate associates would expect should in turn improve their ability to attract and retain outstanding students. Data from the spring graduate student survey suggests that satisfaction with financial support is directly related to monthly stipend amount, to the near exclusion of other financial factors. PhD students in the two most well compensated colleges, Biological Sciences and MAPS, called the amount of financial support that they receive either "very good" or "good" at a rate of 45.6% and 61.8%, respectively. In great contrast, the poorly compensated PhD students in Education, Human Ecology,¹⁰ and Arts reported satisfaction levels of 25.7%, 16.6%, and 30%, respectively. Since healthcare subsidies, general fee coverage, and tuition waivers remain constant across colleges, this wide disparity in satisfaction must be attributed to stipend differences in large part.

Given the time to inflate naturally, the stipends of all graduate students will exceed \$1200. For example, in most years the College of Humanities makes a cost of living adjustment of about 3% each year to its associates' stipends. This year, a post-candidacy GTA in that college could expect to earn \$44 more per month than in the year before.¹¹

¹⁰ At the time of the survey, Education and Human Ecology were separate colleges.

¹¹ Personal correspondence with Cheryl Frasch, financial officer, Department of English (01/30/07)

Given that such increases are typical in wealthier colleges, the committee argues that it is incumbent upon this administration to be sure that the poorest associates at the university do not fall behind their colleagues in wealthier departments by establishing a new and higher minimum for all. Tying the minimum stipend to the university fellowship will ensure that the minimum stipend remains competitive and that future fellows will not have their stipends reduced at the end of their fellowship year.

B. Priority Two: Subsidization of Instructional Fees

The committee recommends that the university explore ways to subsidize those instructional fees not already subsidized under the general instructional fee, including the RPAC Fee, the Student Activity Fee, Technology fees, and any future line item fees that would should fall under the heading of “instructional.”

While the administration has acted to raise the minimum stipend and increase the subsidization of healthcare in recent years, it has also subjected graduate associates to a growing number of line item instructional fees that are not covered under the general instructional fee. There are at least three reasons why the university should act to subsidize these fees.

First, there is no good philosophical or historical reason for why these fees are not subsidized along with the other services paid for under the general instructional fee. Fees only began to appear as separate line items several years ago on account of a motion by the Undergraduate Student Government which sought to create transparency in the university’s finances. This motion created new fee categories so that undergraduates and their tuition-paying families would have a clear idea of what the fees they paid for were funding. The motion did not intend to provide a loophole so that colleges could turn the

responsibility of paying for instructional fees onto the individual graduate associate. Yet this precise situation has ensued in the years since. But for this anomaly, these line item instructional fees would be part and parcel of the package of costs that the general instructional fee would normally cover. Since the line item fees are by definition instructional fees, and colleges have promised to take on the responsibility of subsidizing instructional fees in the standard letter of offer to graduate associates, they should begin to do so now.

Second, the gradual encroachment of fees over the years has caused ill-will towards and distrust of the administration among the graduate associate population. Graduate associates are required to pay steadily increasing fees in order to enroll each quarter, and the increases are not adequately predicted when they first enroll. A graduate associate who entered in 2001, when the university first included associates in the Competitive Compensation Initiative, could expect to pay only the \$9 COTA fee each quarter. In 2003 the administration added the quarterly \$15 Student Activity Fee, in 2005 the \$42 RPAC fee, and raised the RPAC fee to \$78 in 2006. Graduate Associates can expect a further Student Union fee in the near future. Last spring's graduate student survey provided evidence of great unhappiness with the current level of fee subsidization. Only 22.4% of funded female PhD students and 20.6% of funded male PhD students called themselves "satisfied" or "very satisfied" with the level of support for Activity Fees, which was by far the lowest level of satisfaction reported in any category of compensation and benefits.

Third, these fees eat away at the real financial benefits the university has sought to grant its associates through healthcare subsidization and higher stipends. In autumn quarter 2005, a graduate associate paid 25%, or \$105, of the \$420 quarterly healthcare

premium. In the same quarter the associate paid \$66 in fees (\$9 COTA + \$15 SA + \$42 RPAC). In autumn quarter 2006, the same associate paid 20%, or \$91, of the \$455 quarterly healthcare premium, a savings of \$14 per quarter from one year before. On account of the \$36 increase in the RPAC fee beginning that year, however, the associate took home \$22 less per quarter than one year before, barring possible cost of living increases to their stipend that their college may have approved. Administrators must be sensitive to the fact that, while activity fees and healthcare costs exist in entirely different segments of the university budget, those parts of either cost that colleges do not subsidize ultimately come from the same small bank accounts of graduate associates. A gain in one area must not be offset with a loss in the other.

Subsidizing graduate associate activity fees would improve Ohio State in at least two ways. First, it would add to the net institutional investment in graduate education, boosting the competitiveness of the university's graduate compensation package. Secondly, it would assure the graduate associate population that the administration is aware of the onerous burden that fees place upon students with limited budgets. The university would improve graduate associate satisfaction and trust by ensuring that associates have coverage for all fees required for enrollment. This second improvement would do much to augment that all-important if intangible and immeasurable benefit that is subjective satisfaction.

C. Priority Three: Healthcare Subsidization

Upon completion of the current initiative to raise the healthcare subsidization level for associates and dependents to 85%, the committee recommends that the administration consider incrementally raising the subsidy to 100%.

Ohio State has made admirable strides to ensure the good health of its graduate associates and their dependents over the past several years. Next year the individual and dependent graduate associate healthcare subsidies will stand equal to that which the faculty currently enjoys. Even so, the university should still consider completely subsidizing graduate associate healthcare. Benchmarking data places the university's investment in healthcare costs in sixth place among its peers next year, even with the increased subsidy that will take effect. When polled last spring, graduate associates already enjoyed a subsidization level of 75%, but 62% of funded male PhD students and 59% of funded female PhD students called increased support for healthcare "very important," a greater percentage than in any other category.

Since it would increase the university's net institutional investment and lead to a happier graduate associate population, the committee challenges the university to move toward subsidizing its associates and their dependents completely.

Conclusion

The committee recommends that the university continue its profitable policy of increasing the net institutional investment in graduate associates each year. The administration and deans of the university should be commended for pursuing graduate associate compensation and benefits policies over the past several years that have not only made for happier and healthier associates, but have made Ohio State a more competitive and productive institution. The committee believes that implementation of the prioritized recommendations it has put forward for consideration in this report will accelerate the rate of such positive outcomes. In conclusion, the committee hopes that its work has provided a helpful frame of reference for understanding the current status and

possible future of graduate associate compensation and benefits at Ohio State, and that the administration and deans will engage with it in the months and years to come in a friendly dialogue about how to create the best possible future for both individual associates and for the university community as a whole. We look forward to that conversation.

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Roster, 2006-2007**

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