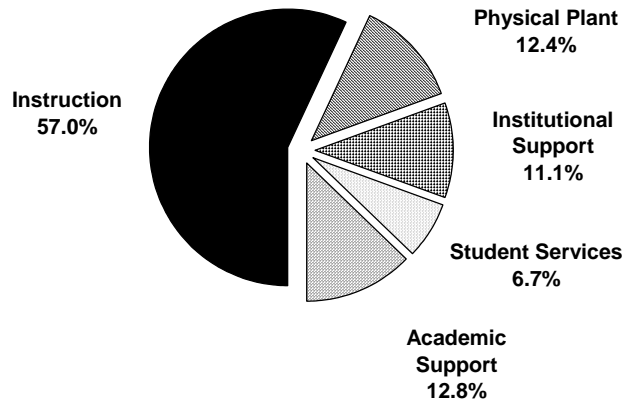


## 4.0 EXPENDITURES

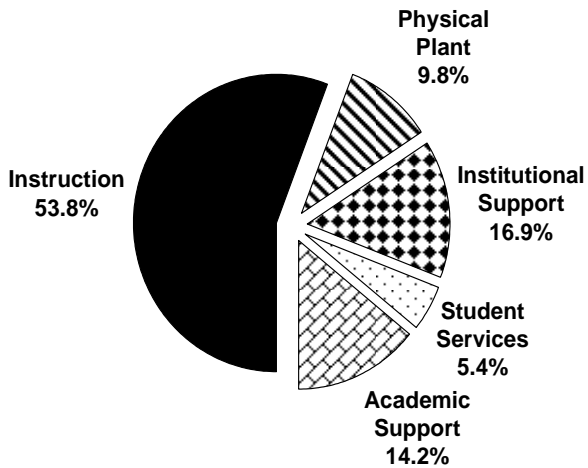
### 4.1 Total Operating Expenditures

As demonstrated by the charts to the right and below, financial resources remain highly concentrated on the university's core business — instruction. Instructional functions detailed in the charts as instruction and academic support represented 69.8 percent of JMU's 1988-89 budget. In 2004-05 the percentage is 68.0 percent.

#### Distribution of JMU E&G Operating Expenses 1988-89



#### Distribution of JMU E&G Operating Expenses, 2004-05

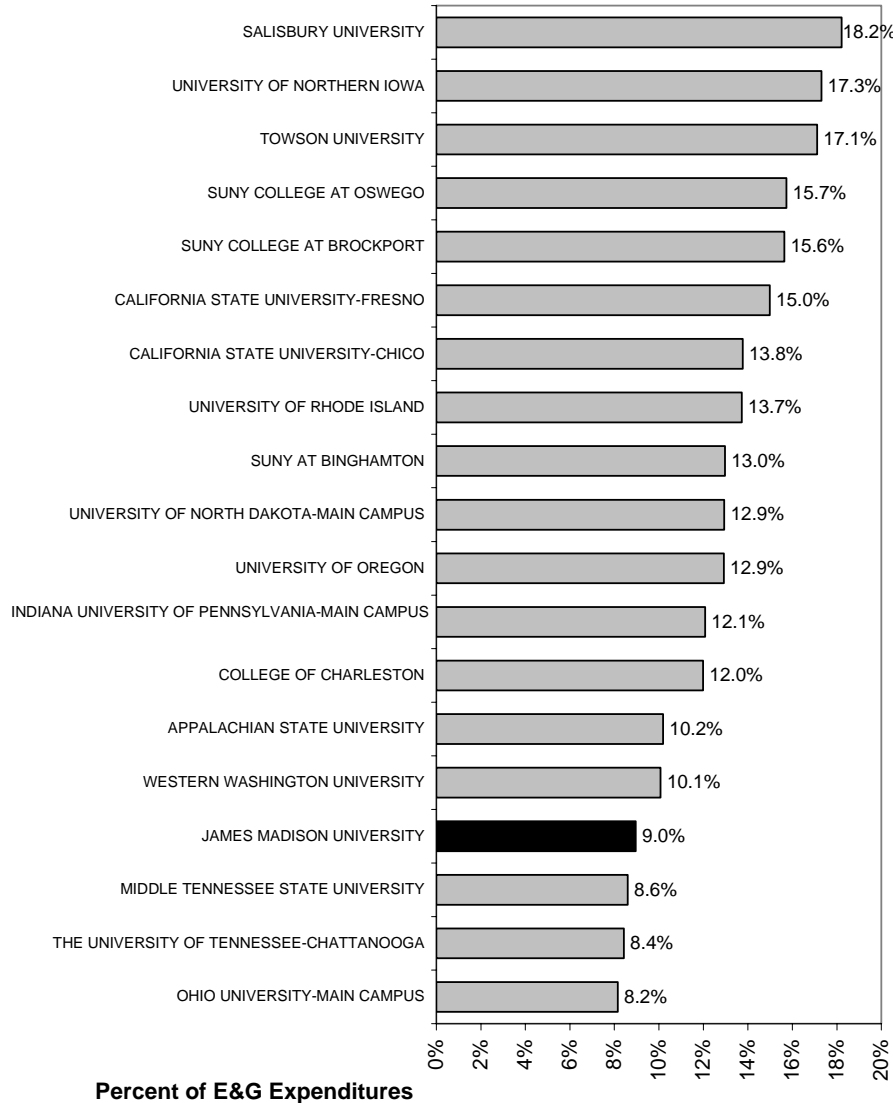


The total percent of the budget spent on non-instructional administrative functions remained relatively unchanged at approximately 30 percent for the sixteen-year period. However, there were shifts away from student services and physical plant to institutional support. The major causes of these shifts are technology-related costs for software, hardware and maintenance and expanded university relations and development activities.

When JMU is compared to the public institutions in its national peer group (approved by the State Council of Higher Education), the 2002-03 data indicates that JMU is the highest institution in support of instruction (see chart on page 30). As indicated in the chart below,

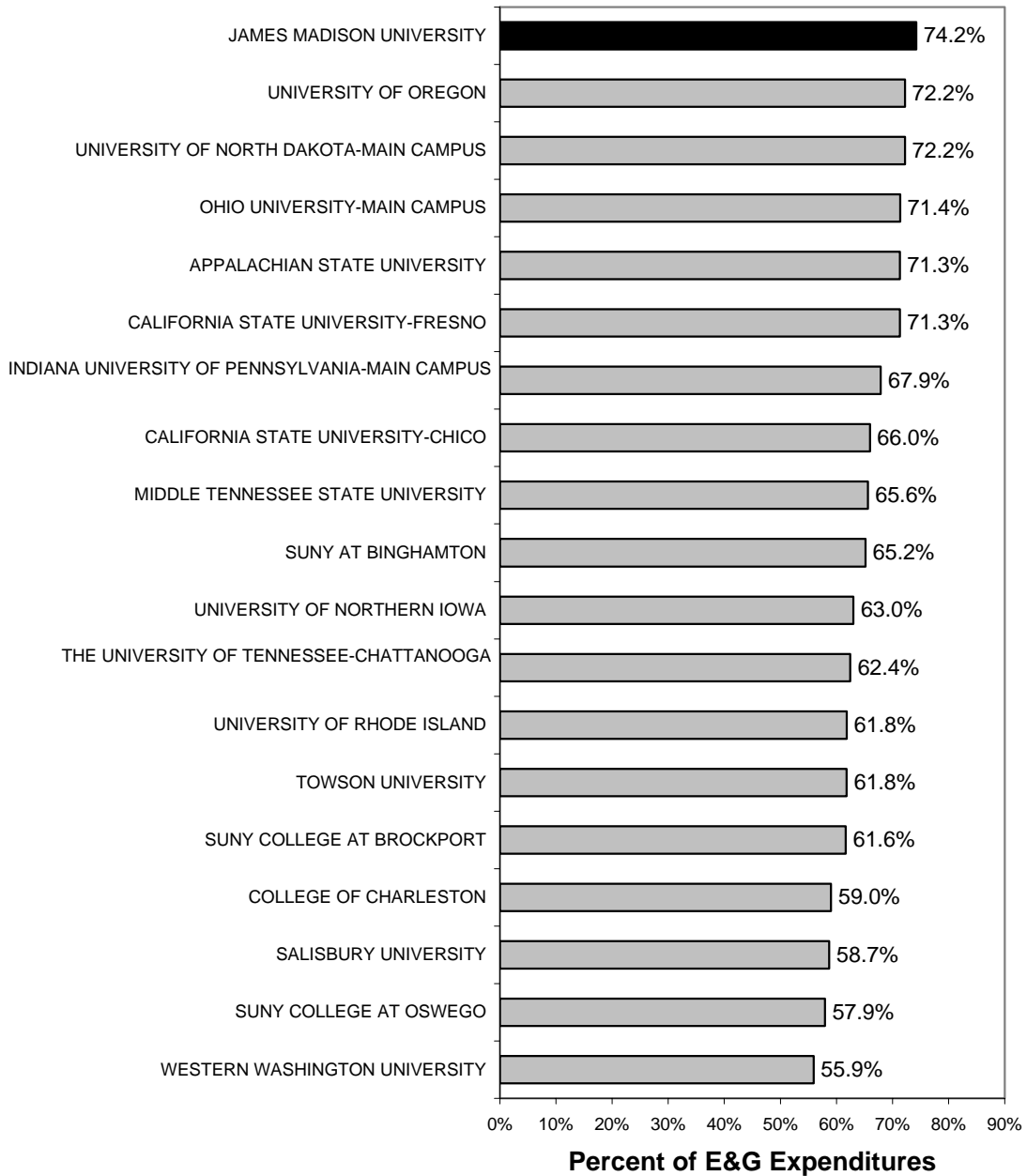
JMU spends a smaller percent on institutional support than all but three of its peer institutions. JMU's most recent rate (9.0 percent) is lower than the rates of recent years (i.e., 9.9 percent in FY 02). JMU continues to operate administrative functions efficiently in order to concentrate resources on the university's primary mission of instruction. In fact, during the budget impasse the University purposely preserved its instructional budgets at the expense of institutional support.

**Institutional Support \* as a Percent of FY03 E&G Expenditures: SCHEV Peers**



\* Excluding Research, Public Service, Scholarships and Fellowships, and Transfers. Data not available for University Of Delaware, Bradley University, University Of Notre Dame, Providence College, Baylor University, and Texas Christian University.

## Instructional and Academic Support\* Expenditures as a Percent of FY03 E&G Expenditures: SCHEV Peers

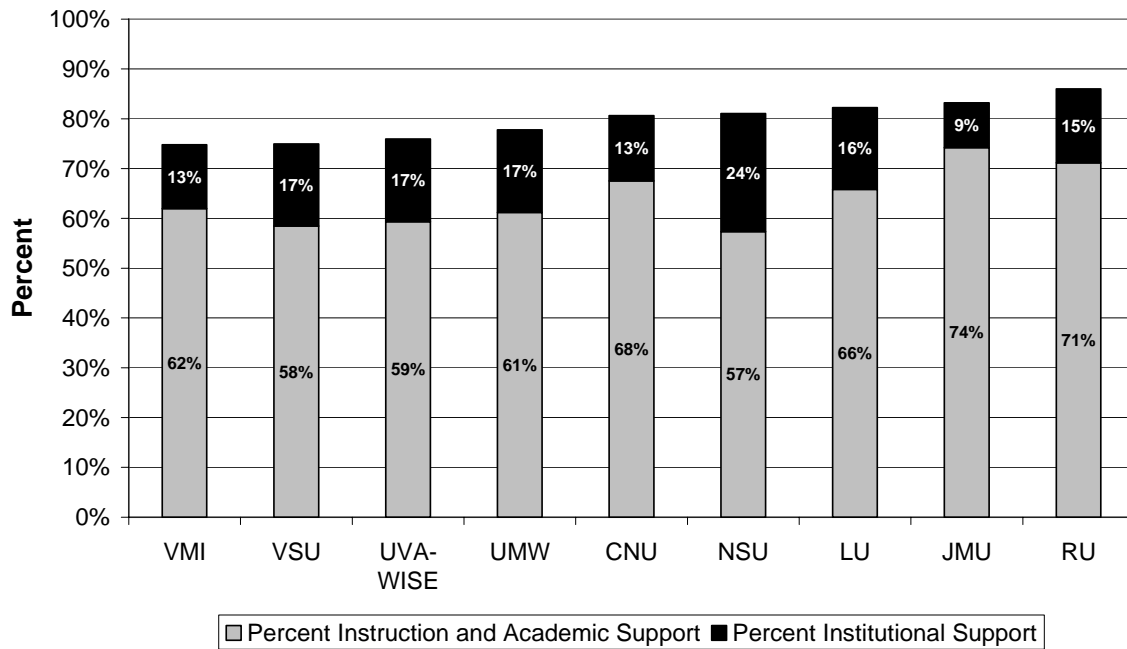


\* Excluding Research, Public Service, Scholarships and Fellowships, and Transfers.  
Data not available for University Of Delaware, Bradley University,  
University Of Notre Dame, Providence College, Baylor University, and Texas  
Christian University.

The graphic on the previous page shows JMU's commitment to instruction. JMU spends the highest percentage of its E&G budget on instruction in its peer group. The fact that JMU has such a high percentage of its budget devoted to instruction and one of the lowest percentages devoted to institutional support demonstrates that JMU clearly focuses its resources on its mission of educating students. During the budget impasse JMU's percentage of expenditures increased in instruction and decreased in institutional support.

The chart presented below compares academic and institutional support for Virginia's comprehensive institutions. Of the Virginia comprehensive institutions in 2002-03, JMU ranks highest in percent of E&G budget spent on instruction and academic support (combined) and last in percent of E&G budget spent on institutional support.

**FY03 E&G Expenditures\***  
**Virginia Public Comprehensives**

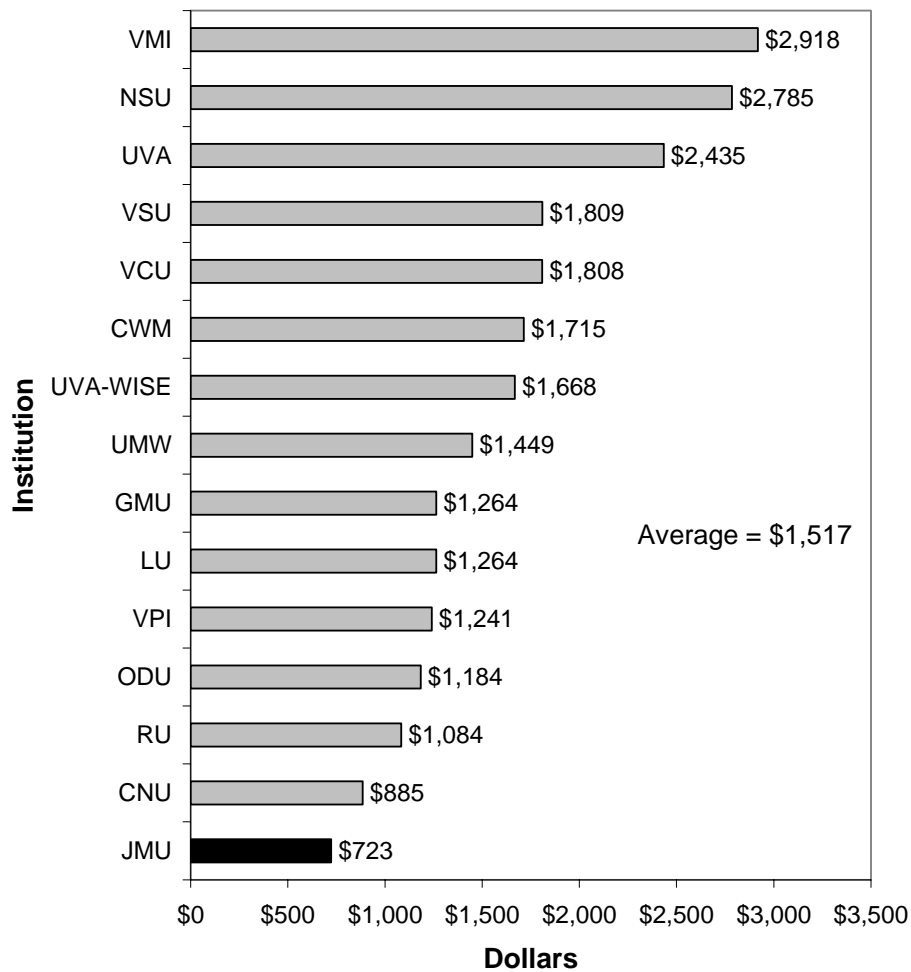


\* Excluding Research, Public Service, Scholarships and Fellowships, and Transfers

The chart presented below analyzes institutional expenditures in a slightly different manner. Instead of examining institutional support as a percent of the E&G operating budget, this graphic looks at the same expenditure category on a per FTE student (FTES) basis. It could be argued that this represents a truer picture of expenditures than the percentage when comparing institutions with different educational missions — e.g., comprehensive and doctoral institutions. For doctoral-level institutions, the percent of E&G expenditures used for institutional support is lessened by their expansive research budgets that are included in their total E&G expenditures.

Of the Virginia institutions, JMU again ranks last at \$723 per FTES expended on institutional support in FY 2003. This figure is \$162 per student less than the next lowest institution (Christopher Newport University) and \$2,195 less than the highest (VMI). On a per student basis, JMU has for many years been administratively the leanest institution in the Commonwealth.

### E&G Expenditures FY 2003 Institutional Support Per FTES



Source: IPEDS Finance Reports And SCHEV

## 4.2 Faculty and Staff Salaries

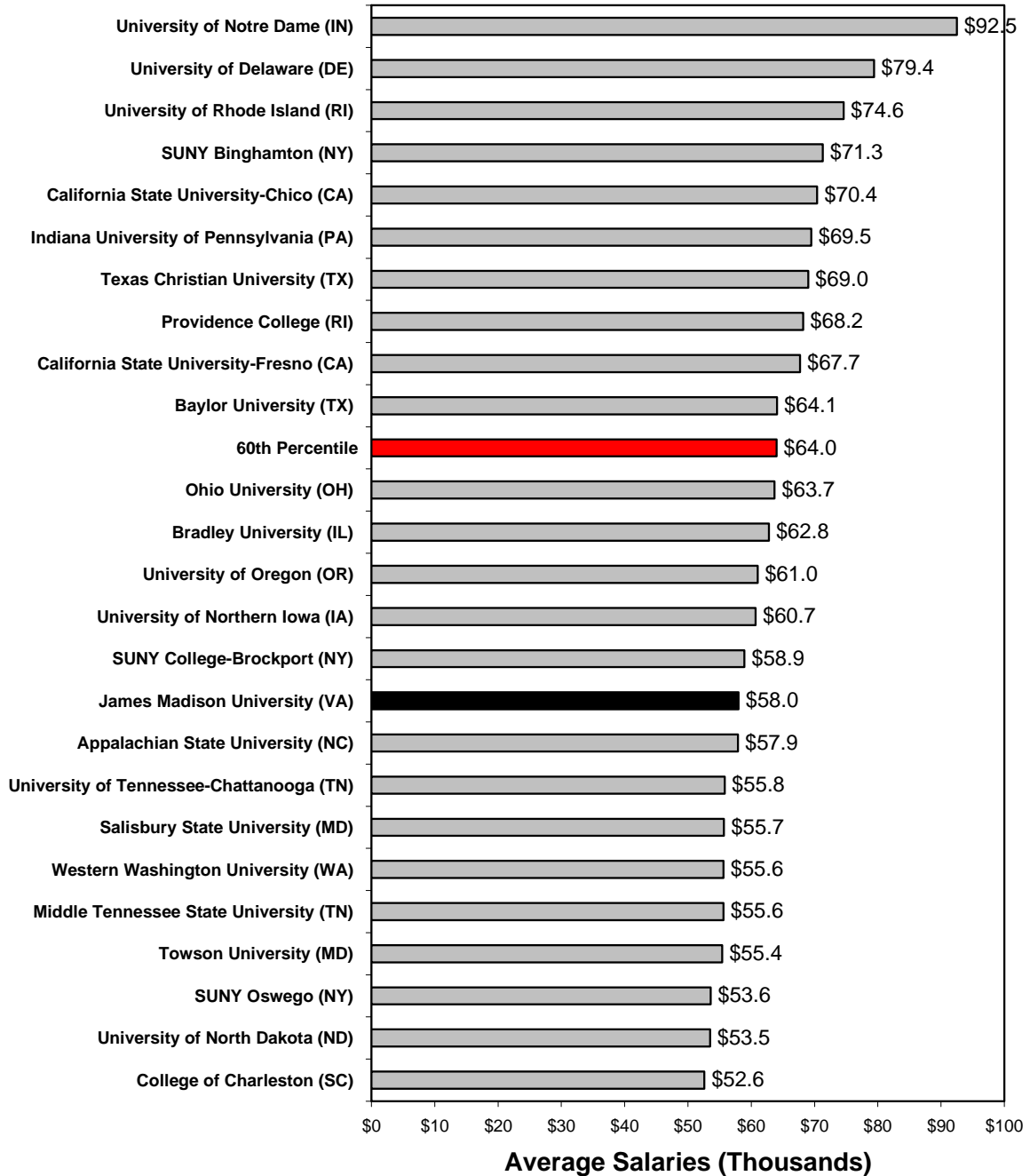
In the spring of 1997 JMU and the other Virginia publicly funded colleges and universities negotiated new peer institutions. These replaced the peer groups created with the State Council in 1986 as a benchmark in support of the public policy objective that all state colleges and universities offer competitive faculty salaries equal to the 60<sup>th</sup> percentile of a national group of its peer institutions. JMU's current position is 16<sup>th</sup> out of 25 institutions, down from 12<sup>th</sup> in 2000-01. The 60<sup>th</sup> percentile faculty salary for 2003-04 was \$64,000, thereby putting JMU's appropriated salary average of \$6,000 below the policy objective. In order to increase equity between JMU and its peer institution the university initiated a July 2004-05 faculty raise.

As demonstrated by the data shown on page 36, the 1996-97 through 1999-2000 salary increases for faculty, administrators, and classified staff exceeded the CPI. In 2000-01 the CPI exceeded the average salary increases. In 2001-02 no faculty or staff received salary increases due to the budget impasse and the monthly cost of the family medical plan increased to \$218. In 2002-03 the family medical plan increased to \$240. In 2003-04 the Commonwealth instituted a new medical plan, COVA Care, which reduced the monthly premium to \$99. In 2004-05 the University funded salary increases for all faculty and staff in July (2.0 percent for all instructional faculty plus 1.0 percent for full professors; 1.0 percent for all administrators and a 1 percent bonus for classified staff). In December all eligible faculty, administrators, and classified staff received a 3.0 percent increase. The family medical premium increased to \$113. The 2004-05 salary increases are expected to exceed the CPI.

Classified salary increases outpaced those for both instructional faculty and administrators during 1993-94 and 1994-95 because the General Assembly funded a statewide merit program. During 1995-96, classified staff received the same percentage pay raise as instructional faculty and administrators. In 1996-97 their raises were greater than faculty and administrators, but were less than faculty in 1997-98. In 1998-99 the increases for classified staff were higher than administrators, but smaller than faculty. In 1999-00 and 2000-01 the increases for classified staff were higher than the other two groups. In 2001-02 no classified staff received raises. Classified staff received a 2.5 percent bonus in August 2002. A 3.0 percent raise for all classified staff occurred in December 2004 in addition to the 1.0 percent July bonus.

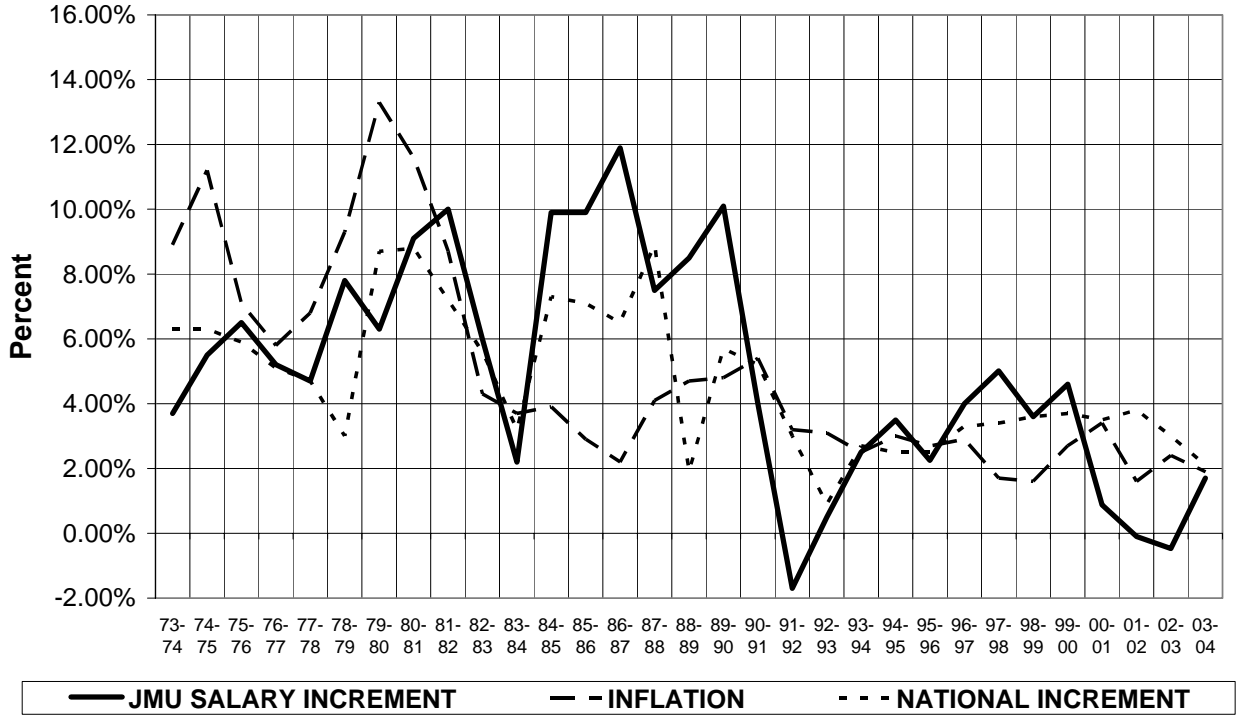
Between 1989-90 and 1999-00 the appropriated salary raises for faculty and classified staff slightly exceeded the CPI due to the higher raises and lower CPI in the last three years. Between 1989-90 and 1994-95, the monthly cost for family medical insurance increased by 67 percent from \$102 to \$170. The monthly cost of family medical plan insurance decreased to \$157 in 1995-96, but again increased to \$240 by 2001-02, a 66.7 percent increase since 1995-96. A new medical plan instituted by the Commonwealth decreased the monthly premium to \$113 for 2004-05.

## SCHEV Peer Group Average Faculty Salaries, 2003-04



60<sup>th</sup> Percentile Faculty Salary = \$64.0 (Thousands)

## Inflation and JMU Faculty Salaries 1973-74 To 2003-04



Source: Institutional Research and AAUP

**Appropriated Salary Increases and Cost of Family Medical Coverage  
1989-90 to 2004-05**

Year	CPI Increase (December To December) *	Appropriated Salary Increase			Monthly Cost of Family Medical Plan
		Instructional Faculty	Administrative Faculty	Classified Staff	
1989-90	4.6%	7.65%	5.90%	3.25%	\$102
1990-91	6.1%	2.36%	1.90%	3.00%	\$147
1991-92	3.1%	0.00%	0.00%	0.00%	\$159
1992-93	2.9%	2.00%	2.00%	2.00%	\$155
1993-94	2.7%	3.60%	3.60%	6.50%	\$170
1994-95	2.7%	3.40%	3.40%	3.57%	\$170
1995-96	2.5%	2.25%	2.25%	2.25%	\$157
1996-97	3.3%	4.00%	4.00%	4.35%	\$157
1997-98	1.7%	5.00%	4.00%	4.00%	\$157
1998-99	1.6%	6.10%	3.10%	3.67%	\$170
1999-00	2.7%	6.10%	4.00%	6.25%	\$185
2000-01	3.4%	3.00%	3.00%	3.25%	\$207
2001-02	1.6%	0.00%	0.00%	0.00%	\$218
2002-03	2.4%	<sup>1</sup> 2.50%	2.50%	2.50%	\$240
2003-04	1.9%	2.25%	2.25%	2.25%	\$99
2004-05 July <sup>2</sup>		2.00% Instructional Faculty 1.00% Additional for Full Professors	1.00%	1.00% Bonus	
2004-05 December	3.3%	3.00%	3.00%	3.00%	\$113

**Source: JMU Budget Office and Human Resources**

Note: 1990-91 percentage allows for the 2 percent salary reduction in December, 1990. Since 1992-93, salary increase percentages are effective in December of each fiscal year. Effective date of change in health care cost varies from year to year.

<sup>1</sup> In August 2002 all continuing faculty, staff, and administrators received a 2.50 percent bonus that was not added to the base salary.

<sup>2</sup> In July 2004 JMU funded raises for all employees. The Commonwealth also funded raises for all eligible employees beginning in December 2004.

\* [Inflation Statistics](#) from Bureau of Labor Statistics.

[Health insurance figures](#) from Virginia Department of Human Resources Management. Medical plan is COVA Care, one spouse State employee.