The purpose of these funds is to:

Provide seed money to start an equity adjustment pool, as part of a significant, sustainable institutional mechanism for dealing with faculty salary compression and inversion.

As OTO funds, this seed money would not have to be distributed as equity adjustments this year, but would form the basis for an ongoing program, the funding details of which would still have to be worked out.

President Cruzado has spoken of a similar fund, at New Mexico State, funded from IDC’s, which has been used there to address the persistent and pernicious problem of salary compression and inversion at MSU.

The Return On Investment from these expenditures will be:

1. With MSU faculty salaries at 10-35% below OSU averages to start with, and compression and inversion exacerbating the problem within that, having some established program for an institutional response would at least put us on par with the many other institutions nationwide that already have such programs in place.

2. Hope for equity adjustments would have a measurable, immediate impact on faculty morale, productivity, and retention.

3. With the current financial landscape of salary freezes for the next few years, equity adjustment could become a critical way of investing in our most meritorious faculty, helping retain them.

4. During informal faculty discussion, a constant topic of conversation is how many are actively looking for positions at other institutions.

5. It goes without saying that retention of faculty is as critical a goal as retention of students, both in preserving the quality of the institution and saving the expense of new searches, plus the disruptions in programs that result from frequent turnover.