



OHIO LEGISLATIVE SERVICE COMMISSION

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Fiscal Note & Local Impact Statement

Bill: H.B. 66 of the 132nd G.A.
(L_132_0705-6)

Status: In House Higher Education and Workforce Development

Sponsor: Rep. Young

Local Impact Statement Procedure Required: No

Subject: Annual performance reviews for tenured faculty

State & Local Fiscal Highlights

- The bill will increase the administrative workload of the Department of Higher Education by requiring the Chancellor to (1) develop, along with state universities, standards for annual performance reviews of all tenured faculty members at those universities with an emphasis on each faculty member's meaningful participation in undergraduate instruction and (2) review and possibly propose for discontinuance any state university degree major, department, or division with a relatively low percentage of enrollment.
- The bill may increase the administrative costs of the state's 13 public universities to (1) assist the Chancellor in developing the performance review standards, (2) conduct the annual performance reviews described above beginning in the 2018-2019 academic year, and (3) develop remediation plans for faculty members whose evaluations indicate a failure to contribute to the undergraduate mission. The extent of any additional cost will depend on the performance review standards developed, how they differ from each university's current procedures, and the number of faculty members for whom such an evaluation will need to be performed.
- No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

Overview

The bill requires the Chancellor of Higher Education and state universities to jointly develop standards for annual performance reviews of all tenured faculty members at state universities with an emphasis on each faculty member's meaningful participation in undergraduate instruction. Under the standards, the annual evaluations must begin with the 2018-2019 academic year, though they may be conducted as part of any annual review or evaluation of faculty members ordinarily conducted by a state university. In addition, the bill generally requires faculty members who are tenured by an academic unit with a preponderance of undergraduate students to teach at least three semester hours of undergraduate courses per semester unless an alternative or

exemption applies. The bill requires a state university to develop a tiered remediation plan for a tenured faculty member whose evaluation indicates a failure to contribute to the undergraduate mission. Finally, the bill requires the Chancellor to review for discontinuance any degree major, department, or division within an academic unit of a state university that attracts a disproportionately low percentage of the total enrollment of the academic unit. The bill applies only to the state's 13 public universities. The fiscal implications of these provisions are discussed below.

Performance review standards

The bill requires the Chancellor, jointly with all state universities, within 90 days after the bill's effective date, to develop standards for annual performance reviews of all tenured faculty members at state universities, with specific emphasis on a faculty member's meaningful participation in the undergraduate mission of the faculty member's academic unit (i.e., the program, college, or field of study within a college or university under which the faculty member has received tenure). Within 150 days after the bill's effective date, each academic unit must take formal action to adopt an annual performance review of tenured faculty members consistent with the Chancellor's standards. The development of the standards will increase the administrative workload of the Department of Higher Education (DHE) and state universities.

Annual evaluations

Beginning with the 2018-2019 academic year, each state university must conduct an annual evaluation of every tenured faculty member, with contribution to undergraduate instruction as a key component. Under the bill, each academic unit must submit an annual written report describing the academic unit's mission and each faculty member's contribution to that mission. This review may take place in conjunction with, rather than in addition to, the university's current annual review programs. The bill provides two pathways for a faculty member in an academic unit with a preponderance of undergraduate students to satisfy the requirement to contribute to the undergraduate mission: (1) teach at least three semester hours of undergraduate courses per semester or (2) if the unit determines that a faculty member's talents are better suited to research, complete a written report indicating how the faculty member will contribute to the undergraduate mission through other means, which may include undergraduate research or advising. This second option may be offered to up to 20% of the unit's tenured faculty members. Certain faculty members are exempt from the undergraduate teaching requirement, including faculty members participating in a faculty exchange program, on professional leave or sabbatical, on active duty in the U.S. Armed Forces, on extended medical leave or disability status for the majority of the semester, or those that teach graduate level courses on a regular basis.

The performance reviews required by the bill may increase the administrative costs of the state's 13 public universities. The extent of any additional cost will vary from institution to institution depending on the performance review standards developed, how they differ from each university's current procedures, and the number

of faculty members for whom such an evaluation will need to be performed. Currently, each state university independently determines the manner in which performance reviews are conducted for tenured faculty. Performance review procedures often are negotiated as part of a university's collective bargaining agreement with its faculty.¹ The bill's provisions do not affect any collective bargaining or employment contract entered into prior to the bill's effective date. However, its requirements do prevail over any conflicting provisions of a collective bargaining agreement or employment contract entered into on or after the bill's effective date.

LSC reviewed various state university policy documents and collective bargaining agreements to determine the frequency of tenured faculty performance evaluations. It appears that the norm among state universities is to require some form of annual performance review for tenured faculty, whether by department chairpersons, a committee of the faculty member's peers, or some other model. Those institutions currently conducting annual reviews of tenured faculty may see a minor increase in administrative costs to comply with the bill. Those who do not may incur more significant costs. In addition, the size of a university's tenured faculty may also play a large part in determining any additional costs. As a point of reference, the table below shows the number of tenured faculty members at the main campus of each state university as of the fall of 2014, the latest available data from DHE. As the table shows, the Ohio State University employed the largest number of tenured faculty, at 1,838 individuals, while Central State University employed the least, at 33 individuals.

Tenured Faculty by Four-Year State University, Fall 2014	
Institution	Tenured Faculty
The Ohio State University	1,838
University of Cincinnati	706
Ohio University	557
University of Akron	474
Kent State University	471
Miami University	461
Bowling Green University	419
University of Toledo	414
Wright State University	358
Cleveland State University	343
Youngstown State University	288
Shawnee State University	76
Central State University	33
Total	6,438

¹ Two state universities, Miami University and the Ohio State University, do not have faculty unions.

Remediation

The bill requires that the standards established by DHE specify a three-year remedial response if a faculty member's evaluation indicates a failure to contribute to the undergraduate mission of the academic unit. The remedial response must be a tiered approach with progressively more severe sanctions as time goes on. Specifically, a faculty member's first evaluation that indicates a failure to contribute must result in the development of a remediation plan that describes in detail how the faculty member will contribute to the mission going forward. Upon a second consecutive such finding, the faculty member is barred from both participating in any faculty exchange program or faculty improvement program (sabbatical) and receiving or requesting a reduction in teaching schedule until that faculty member shows evidence of contribution to the undergraduate mission. A third consecutive such finding permits the faculty member's academic unit, in its discretion, to revoke tenure, subject to the same due process requirements afforded to other faculty members whose tenure status is being considered for revocation for any other reason. If the academic unit decides not to revoke tenure, it may direct the unit coordinator to initiate a post-tenure review as soon as practicable, but not later than 180 days after the performance evaluation that triggered the third consecutive failure to contribute to undergraduate instruction.

State university administrative costs may increase to create and enforce remediation plans. Any such costs are likely to be minimal, as the need for remediation is likely to be infrequent based on the various state university policy documents and collective bargaining agreement provisions related to faculty workload that LSC reviewed. Workload policies around the state vary, as some state universities establish university-wide workload norms while others leave workload decisions to individual departments or to agreements between an individual faculty member and the department chair, with approval by a dean. The policies tended to provide flexibility in workload expectations given the unique characteristics of specific departments or disciplines. Nevertheless, in the documents LSC reviewed, a typical teaching load norm was 24 credit hours per academic year, which averages to 12 credit hours per semester, well above the three credit hours per semester required by the bill.

Proposal to discontinue certain majors, departments, or divisions

The bill requires the Chancellor to review for discontinuance any degree major, department, or division within an academic unit of a state university that attracts a disproportionately low percentage of the total enrollment of the academic unit, as compared to others within that academic unit. If the Chancellor determines that a major, department, or division should be discontinued, the Chancellor must develop a written proposal to the board of trustees of the state university. This provision may minimally increase DHE administrative expenses. However, the decision on whether or not to discontinue a major, department, or division remains up to the institution's board of trustees.