

# REPORT OF THE OREGON TECH FACULTY SENATE EXECUTIVE COMMITTEE REGARDING OREGON TECH FACULTY'S CONFIDENCE IN DR. NAGANATHAN'S LEADERSHIP

March 16, 2021

Dear Members of the Oregon Tech Board of Trustees,

At the request of the Faculty Senate, representing their constituent majority, the Oregon Tech Faculty Senate Executive Committee has compiled a report outlining examples of grievances against Dr. Naganathan since his hire in 2017. The contents of this report are the result of the collective input of Oregon Tech's faculty senators. The intent of the report is to articulate how Dr. Naganathan's leadership has caused persistent and ongoing issues that affect Oregon Tech faculty and the student body it serves, and to enumerate those issues to the best of our ability.

While every point of this document may not be correct to the last detail, in part due to lack of transparency of budgets and administrative decision-making processes, we believe that the overwhelming body of evidence supports these broad and extensive areas of deficiency in Dr. Naganathan's leadership.

The Oregon Tech Faculty Senate Executive Committee strongly compels the Board of Trustees to carefully consider the contents of this report, which addresses Dr. Naganathan's leadership and management style only and makes no assertions about or judgments on his character. The report will outline the following areas of deficiency:

1. Disregard of existing Oregon Tech policies and the editing of policies without Senate approval.
2. Lack of commitment to shared governance as established by the Board of Trustees Resolution No. 15-2.
3. Failure to execute responsible fiscal management of Oregon Tech monetary, capital, and human resources.

## **Examples of Disregard of Existing Oregon Tech Policy and Editing Policy without Senate Approval**

1. [Policy Addition and Revision OIT-01-001](#), specifically the provision "All new and revised policy for Sections 10 and 20 of the Oregon Institute of Technology Policy Manual shall be reviewed by the Faculty Senate and acted upon according to the Constitution of the Oregon Institute of Technology Faculty."
  - Dr. Naganathan acted unilaterally and made changes to [Faculty Department Chair Selection and Evaluation OIT-21-030](#) without Faculty Senate

recommendation, and as such, this is the only policy directly affecting faculty (as chairs are still faculty) signed by Dr. Naganathan, solely.

2. [Tenure Indefinite Tenure Selection OIT-20-030](#) has a specific provision stating “All parties shall abide by the timeline set forth in this policy. However, the Dean or Provost may modify the timeline if either determines a reasonable need to do so, but not by greater than 90 days and with notice to the affected faculty.”
  - One faculty member’s progress toward tenure and promotion was halted in violation of the timeline set in OIT-20-030 without recourse to appeal.
3. [Academic Rank and Tenure for Unclass Administrators OIT-20-231](#) states that “1. Unclassified administrators employed on fixed-term renewable appointments will not be awarded tenure, except as may be earned in ‘Granting of Academic Rank to Unclassified Administrators’ 2.c. Unclassified administrators are eligible for multi-year contracts at the discretion of the President.”
  - Dr. Naganathan and other senior administrators were granted tenure immediately upon hire.
4. [Faculty Compensation OIT-20-015](#). Listed below are the specific provisions in the policy, coupled with examples of noncompliance:
  - Section 5, under “Increases to Base Salary,” the policy states that “The COLA adjustment will be a minimum of 2% per year. If the CPI is greater than 2%, the FCC, with the approval of the Faculty Senate, will recommend to the provost whether available funds above 2% will be used for COLA, market, equities, or merit.”
    - Oregon Tech faculty have not received this COLA adjustment for 3 years, and for many years COLAs have been below the CPI without consulting FCC.
  - Section 6, under “Increases to Base Salary”, the policy states “The FCC and Provost’s Office will examine and make recommendations on salary levels in the university as a whole, salary disparity among departments/disciplines, minimum salary levels (institutional floor data and comparator data) and salary compression. Such review will take place on a biennial basis.”
    - At least one department has experienced several instances where new hires were compensated more than seasoned, experienced faculty members. This has led to severe compression within that department, and no resolution has been proposed to address this inequity.

- The section “Salary Administration” states, “Overall administration of the faculty compensation policy is the responsibility of the provost, or designee, in collaboration with the Faculty Compensation Committee (FCC), the vice president of finance, and subject to the direction of the president. The FCC is a Faculty Senate standing committee whose membership is appointed by the Faculty Senate President. The committee will meet to review and address faculty compensation issues. In the second year of each biennium, the committee will review and make recommendations regarding institutional floors and market equity adjustments. The committee will also make recommendations to the president and provost in determining the allocation of available compensation funds.”
  - Senior administration refuses to grant FCC’s requests for a meeting.
  
- The section “Comparator Adjustments” states, “The Provost’s Office will direct institutional research (IR) to collect College and University Professional Association (CUPA) data by discipline from OUS-approved list of comparator institutions for OT. If data are not available for a discipline, the academic department, with the final approval of the FCC and the provost, will determine a list of comparators based on the criteria established by the state system in the document ‘Developing Peer Groups for the Oregon University System: From Politics to Analysis (and Back).’” The same policy states, “Comparator floors are 87.5% of the above-calculated averages.”
  - Previous senior administrators commissioned a 3<sup>rd</sup> party firm (MGT of America), to conduct a study to either discount or corroborate the established CUPA data, and whose services cost Oregon Tech \$50,000. The MGT of America report corroborated the CUPA data, and Dr. Naganathan’s response was to create an “Independent Compensation Committee” comprised of Oregon Tech personnel in response to the report. The results of the “Independent Compensation Committee” concluded that CUPA data, selections of FCC comparators, and the MGT of America report were all incorrect.
  - A substantial number of Oregon Tech faculty members’ compensation remains below the floor, with no plan to remediate the deficiency.

- Due to senior administration's refusal to meet with FCC, compensation has stagnated for all faculty.
5. [Academic Appointment, Rank and Promotion for Non-Tenure Track Instructional Faculty OIT-20-046](#) (Latest Draft)
- The Faculty Senate committee on Rank, Promotion, and Tenure was charged by SenEx with drafting an appointment, rank, and promotion policy for Non-Tenure Track Instructional Faculty in 2017. RPT completed its charge, the policy was vetted, voted on, and passed by Faculty Senate, and then was rejected by President's Council. Despite increased hiring of NTT faculty over the last four years, Oregon Tech remains without a policy for appointing those faculty and providing them with established rank(s) or pathway(s) to promotion.
6. [Faculty Merit Pay OIT-20-016](#)
- President Naganathan's plan to award merit raises disregards established policy. In addition, it fails to adhere to protocol regarding policy changes as stated in the policy [Policy Addition and Revision OIT-01-001](#).
7. [Board Policy on Operating Budget Fund Balance](#)
- Provision 1.1.2 states "Reporting of program revenue cash balances is at a level that provides the Board of Trustees, Legislature, and the public with a complete, consistent and transparent understanding of end-of-year balances."
    - The lack of shared governance with respect to financial and budget planning issues has led to the misallocation of resources. In particular, the administration has used ad-hoc mechanisms to set budget priorities in a way that excludes faculty input, rather than using existing policies and mechanisms for budgeting that provide for a faculty voice.
  - Provision 1.1.1 states "Oregon Tech has the necessary flexibility to manage program revenue accounts to meet cash flow needs throughout the year, financial commitments, plans, and goals."
    - There continues to be no coherent plan to address our ongoing budget deficits beyond increasing student numbers and raising tuition yet again.

- There continues to be no contingency planning for an economic recession and/or cuts in funding by the State of Oregon.

8. [Administrative Compensation Plan OIT-20-044](#)

- Unclassified, Administrator Base Salary increases from \$7,373,355 (FY 2017) to \$10,180,449 (FY 2020)
- Unrestricted salary increases to the President's direct reports that outpaced COLAs by orders of magnitude.

**Examples of Lack of Commitment to Shared Governance as Established by the Board of Trustees Resolution No. 15-2 “A RESOLUTION ON SHARED GOVERNANCE AT OREGON INSTITUTE OF TECHNOLOGY”** [Resolution 15-2 Shared Governance](#)

1. Proposed creation of the Associate Dean positions

- No Faculty Senate input in this decision. There was also a lack of clear position duties for the Associate Deans as well as a lack of evidence of need. The last time Oregon Tech went through major leadership structure changes, the entire Oregon Tech community was involved in the process and we carefully considered these decisions.

2. New Associate/Assistant Vice President Job Titles

- These positions were all promotions from positions that formerly had the title of director. While the roles remain the same, the title changes came with significant salary increases. According to Dr. Naganathan, this was necessary so that our directors have the same status as their peers at other universities. He often uses the example that a Director of Human Resources from Oregon Tech does not have the same status as an Associate Vice President of Human Resources at Oregon State University and thus cannot interact effectively. There is no evidence to support this claim nor is there any evidence to suggest that our directors were ineffective in the past.

3. Denied/ignored request for more detailed information/data

- FOAC has only been provided high-level financials and has repeatedly requested more detailed information. The committee has requested data

on several issues, one being the \$2+million in salary savings this year and similar for prior years that seems to be coincident with both the senior admin raises and budget deficit, with no response.

4. Ignoring the recommendations of hiring committees

- Senior administrators have been hired outside of the university's established hiring procedures, and contrary to the input of their respective hiring committees.

5. Creation of new positions and then appointing people to them with disproportionate raises

- As just one example, a position originally titled "Secretary to the President", was revised to be the "Senior Advisor to the President." This position was not advertised, no search was performed, no additional credentials or education were required, and the individual was appointed by Dr. Naganathan.
- The Portland-Metro Director of Academic Affairs was appointed without a competitive search process.

6. Disregard for 2018 CEET Visioning Report

- "The responsibilities of the Facilities Planning Commission are 1) to recommend to the President the priority for building construction, remodeling, and optimal building utilization during master planning efforts, 2) advise on major changes in the use of space, and 3) to review requests for additional space and equipment which would become a part of the building inventory." This is taken from the charter of the Facilities Planning Commission, which did not meet as part of this process.
- The original plan for the building included a student common space and café in what is now a 3,000 square foot conference room. Instead of this space being used daily for student collaboration and sharing, it will be used infrequently for important meetings and events approved by the president.
- The president's 1,800 square foot office suite, originally slated to be a student entrepreneurial space, was reappropriated without the input of faculty of the Facilities Planning Commission.
- If you combine the president's office with the conference room area, it is twice the size of classroom space in the building at 4,800 square feet. This is deeply concerning given the current difficulty scheduling classroom space on the Klamath Falls campus. With the president now directly

controlling the use of 16% of the usable space on the main floor of the CEET, this is clearly a departure from the vision and defined purpose of this building.

- The new plan minimizes space for “The Garage”/Entrepreneurial Lab, which also impacts usable space for other labs. The Garage was featured in [the CEET groundbreaking "virtual ceremony"](#) (around 2:00) and is still posted on the Oregon Tech website to solicit funds for the building, despite having been eliminated as a result of space being allocated for the President’s office move.

#### 7. Examples of Unclassified Administration Salary Increases

- Senior Advisor to the President: 66%
- Senior Executive Assistant: 12%
- Vice President of Finance: 30%
- Vice President of Student Affairs: 21%
- Associate Vice President of Strategic Enrollment Management: 40%
  - Though this position is currently not filled, this increase was implemented before the position was vacated.
- Acting Director (while searching for an Associate Vice President) of Human Resources: 34%
- Assistant Vice President of Government Relations: 77%
  - Though this position is currently not filled, this increase was implemented before the position was vacated.
- Assistant Vice President of Financial Operations: 47%

#### 8. President’s office spending increased 70% from 2017 to 2020, without consultation with FOAC regarding necessary budget details.

- Budget increases to student success, College of ETM and HAS, were less than 20% during this same period.

#### 9. Kernot Stokes report

- Audit of the Student Projects and Grants was completed in April of 2020. 13 significant findings, 5 observations, and 6 process improvements were identified. These findings have not been meaningfully addressed.

#### 10. Unmet and/or abandoned goals

- Stated enrollment goal of 7,500 students by 2028 without an overarching plan.
- Grow diversity, equity, and inclusion.
  - Not met (no partnership with Latino organizations and communities created, no international student recruitment).
- Modernize general education component.
  - Essential Studies renovation abandoned.
- Establish the Faculty Innovation Center.
  - Abandoned.
- Invest in talent.
  - No evidence that this goal is being met in terms of faculty recruitment.
- Pilot formalized mentoring and professional development programs.
  - Abandoned.
- Create facilities master plan.
  - Abandoned.

#### **Examples of Failure to Execute Responsible Fiscal Management of Oregon Tech Monetary, Capital, and Human Resources**

1. Faculty positions have been cut/not replaced and many more have been changed from tenure track to non-tenure track (i.e., one department has lost 1.5 faculty positions, 1 position has been changed to NTT, and now they must work 129 WLU in overload just to teach the curriculum across both campuses).
2. Request for funds from the 2017-19 OREC budget \$223,000 carry-over has been blocked for the last 2 years, preventing its use in some high-impact applied research projects. Each time different reasons were given from VP Fox, with the

last indirectly from the President. The question remains whether those funds still exist or were “appropriated” for other means.

3. State support increased by \$1.29 million from 2018-2019 and another \$1.37 million from 2019 to 2020, yet we find the university ‘short’ on funds.
4. Overall revenue increases of \$3.81 million from 2018-2019 and another \$4.94 million from 2019-2020, yet we find the university ‘short’ on funds.
5. Staff layoffs during the same timeframe as new, senior administration positions are created and filled.
6. Increases in administrative positions and salaries resulted in a \$2,000,000 increase in base salaries between 2018 and 2019, almost the exact amount of our deficit.
7. Significant tuition increases with the understanding that the funds would be devoted to new teaching equipment and the funding of new programs. Data and documentation relating to the usage of these revenues to their promised recipients have never been furnished.