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HUMAN RESOURCES  
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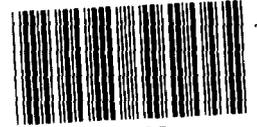
March 9, 1984

B-214535

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The Honorable Lowell Weicker, Jr.  
Chairman, Subcommittee on Labor,  
Health and Human Services,  
and Education  
Committee on Appropriations  
United States Senate

RELEASED



123702

Dear Mr. Chairman:

Subject: Selected Aspects of Howard University's  
Operations and Use of Federally Appropriated  
Funds (GAO/HRD-84-43)

In your December 7, 1983, letter, you requested that we review certain activities of Howard University. We discussed your request with your staff, and as agreed, we compared Howard University's faculty and administrative salaries with salaries at similar universities, as reported to higher education associations that annually compile and report this data. We also obtained information regarding the accreditation of Howard's College of Medicine and its other 16 schools and colleges, and academic deficiencies that have been cited by accrediting bodies. We also compared certain statistical data on Howard's library operations with similar data reported by other universities, and obtained financial data on Howard's acquisition and operation of the Howard Inn.

The results of our review are summarized below. The scope and methodology and more detailed information are presented in enclosure I of this letter.

BACKGROUND

Established in 1867, Howard University is a private non-profit university located in Washington, D.C. Since 1928 Howard has received annual federal appropriations to aid in its construction, development, improvement, and maintenance. In fiscal

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year<sup>1</sup> 1983, Howard received \$142.8 million in federal appropriations, amounting to about 73 percent of its educational and general expenditures of \$196 million, and 46 percent of its total expenditures of \$308 million, including expenditures for the University hospital and auxiliary enterprises, such as the Howard Inn. The other expenditures were covered by tuition and fees, endowments, gifts, grants, investment income, and revenues generated by sales and services from auxiliary enterprises and other departments.

In the 1982-83 academic year Howard's student full-time equivalent enrollment was 9,450. Most Howard students are minority students, primarily Black-Americans.

COMPARISON OF HOWARD'S ADMINISTRATIVE  
AND FACULTY SALARIES WITH SALARIES  
AT SIMILAR INSTITUTIONS

Our comparison of Howard executives' salaries with the median salaries for similar positions at universities with a similar-sized student body or budget, as reported by the College and University Personnel Association, showed that Howard's salaries were generally higher, particularly with regard to its top executives, i.e., president, vice-presidents, and general counsel. Howard's salaries for these executives were 8 to 167 percent higher than the median salaries reported by other universities for similar executives. Our comparison of Howard's faculty salaries showed that they were generally comparable to the median of the salaries reported by other universities to the American Association of University Professors.

ACCREDITATION OF HOWARD UNIVERSITY  
AND ITS DEGREE PROGRAMS

Howard University is accredited by the Middle States Association. In addition, degree programs in 15 of Howard's 17 schools and colleges are accredited by national accrediting associations. All basic and advanced programs in the School of Education were denied accreditation in 1979, based primarily on deficiencies in the School's facilities and curriculum. Accreditation reviews of the programs in the School of Communications have not yet been completed.

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<sup>1</sup>Howard's fiscal year extends from July 1 to June 30.

Accreditation reports noted many strengths in the University's degree programs of its schools and colleges, including strong curriculums in several programs. The accreditation reports also cited weaknesses in the programs. The most common problems cited were poor facilities and a lack of faculty research. According to University officials, Howard plans to support more faculty research through \$5 million in additional funds in 1985, and will request \$83 million in fiscal year 1986 for renovations and new construction.

#### ACCREDITATION STATUS OF THE COLLEGE OF MEDICINE

The Howard University College of Medicine is accredited by the Liaison Committee on Medical Education (LCME) representing the American Medical Association and the Association of American Medical Colleges. LCME most recently reaffirmed the College's accreditation in 1976. While the Committee's report noted strengths in the College, particularly in its pharmacology and medicine departments and Center for Sickle Cell Disease, the report cited cases of inadequate laboratory, research, and clinical facilities and a lack of faculty research in several departments. According to University officials, the opening in 1979 of a new College of Medicine facility, the Seely G. Mudd Building, should correct the deficiencies in the College's facilities. Also, University officials advised us that the College of Medicine has taken steps to increase annual funds available for research. Our review showed that in fiscal year 1983, about \$3.3 million in grants and contracts was available, compared to \$2.3 million in 1976. In constant dollars, however, funds decreased about 20 percent.

The College's accreditation will expire at the end of this year, and, according to University officials, the College was reinspected by LCME in February 1984. As of March 5, 1984, the results of the inspection were not available.

#### COMPARISON OF HOWARD UNIVERSITY LIBRARY DATA WITH DATA OF OTHER UNIVERSITY LIBRARIES

We obtained comparative data on universities' library activities, including Howard's, from three studies pertaining to (1) university libraries, (2) academic health sciences libraries, and (3) law school libraries.

According to the most recent data published by the Association of Research Libraries, Howard's library system ranks 94 of 101 member university libraries in the number of volumes held

and 44 in the number of volumes added. The library is ranked 12 in expenditures for library materials and 14 for expenditures for salaries and wages.

Compared with other law school libraries which reported data to the American Association of Law Libraries, Howard's law school library ranks 60 of 172 reporting institutions in the number of books held and last of 171 reporting institutions in the number of serial titles held, such as periodicals and supplements. In the area of expenditures, the law school library ranks last of 166 reporting institutions in the percent of its budget spent on library materials and, conversely, 3 of 166 reporting institutions in the percent of its law library budget spent on salaries and wages.

In comparison to 133 other academic health sciences libraries in the United States and Canada which reported data to the Association of Academic Health Sciences Library Directors and the Houston Academy of Medicine-Texas Medical Center Library, Howard's health sciences library is ranked 39 in the number of volumes held and 12 in journals received. In expenditures for library materials and salaries and wages, Howard's health sciences library is ranked 4 and 28, respectively.

#### ACQUISITION AND OPERATION OF THE HOWARD INN

Howard University acquired the Howard Inn on March 10, 1981, for \$1.3 million. We did not audit the financial activities of the Inn. However, the financial statements of the Inn are audited annually by an independent certified public accounting firm. The audited statements show that as of June 30, 1983, the accumulated operating deficit, which includes the accumulated depreciation on the building, furniture, fixtures, and equipment, totaled \$4,485,862.

University officials advised us that the main purpose for acquiring the hotel was to use it as a training laboratory for a hotel management program being developed in its School of Business and Public Administration. Federal funds were not used to purchase the Inn, nor are they used for operating it. Purchase of the Inn was financed through a loan with a local bank. Monthly installments on the loan plus interest are made from nonfederal unrestricted university funds. Operating expenses are met by the revenues generated by the Inn and other nonfederal unrestricted university funds.

A draft of this report was provided to Howard University for its review. The University's comments are contained in Enclosure II and incorporated in this report, as appropriate.

We trust that this information will be helpful to the Subcommittee. As arranged with your office, unless you publicly announce its contents earlier, no further distribution of this report will be made until 30 days from its issue date. At that time, we will send copies to interested parties and make copies available to others upon request.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Richard L. Fogel".

Richard L. Fogel  
Director

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ABBREVIATIONS

AALL      American Association of Law Libraries  
AAUP      American Association of University Professors  
ARL      Association of Research Libraries  
CUPA      College and University Personnel Association  
MSA      Middle States Association

SELECTED ASPECTS OF HOWARD UNIVERSITY'S OPERATIONS  
AND USE OF FEDERALLY APPROPRIATED FUNDS

OBJECTIVES, SCOPE, AND METHODOLOGY

In a December 7, 1983, letter from the Chairman of the Subcommittee on Labor, Health and Human Services, and Education of the Senate Committee on Appropriations, and as agreed in subsequent discussions with his staff, we were requested to

- compare Howard University's faculty and administrative salaries with salaries reported by other universities, such as those that are similar in size and complexity,
- obtain information regarding the accreditation status of Howard's College of Medicine and its other 16 schools and colleges, and academic deficiencies cited by accrediting bodies,
- compare certain statistical data on Howard's library operations with similar data reported by other universities, and
- obtain data on Howard's acquisition and operation of the Howard Inn.

The basis on which we made our comparisons of Howard's faculty and administrative salaries with salaries at other universities was discussed with the Subcommittee staff. We obtained the most recent comparative data from annual surveys published by higher education associations and generally recognized as providing the most comprehensive information available. Our comparisons were not made to render an opinion as to the reasonableness of Howard's salaries paid.

To compare Howard's faculty salaries with those of other institutions, we used data compiled by the American Association of University Professors (AAUP) in its 1982-83 The Annual Report on the Economic Status of the Profession. The report contained for each of the 2,579 reporting institutions of higher education, including Howard University, the average salary and

average compensation<sup>1</sup> for full-time professors, associate professors, assistant professors, and instructors. The data did not include salaries for instructional faculty in preclinical or clinical medicine. AAUP considers Howard University to be a doctoral-level institution.<sup>2</sup> Therefore, we compared Howard's salaries with salaries of the other doctoral-level institutions whose salaries had been reported to AAUP. We grouped the doctoral-level institutions according to whether they were private or public. We also compared Howard's faculty salaries with salaries at doctoral-level institutions located in Washington, D.C., and those considered by Howard to be members of its peer group. The number of universities in each of these groups are as follows:

- 55 under private control,
- 107 under public control,
- 4 located in Washington, D.C.,<sup>3</sup> and
- 11 considered by Howard University to be members of its peer group.<sup>4</sup>

We also compared Howard's faculty salaries with salaries at historically black colleges and universities. We obtained the salary data from AAUP's Annual Report. We identified historically black colleges and universities from information provided

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<sup>1</sup>Compensation represents salary plus the institution's contribution to fringe benefits, such as social security; retirement contributions; life insurance; hospital, medical, and dental insurance; disability income protection; workmen's and unemployment compensation; tuition payments; and housing allowances.

<sup>2</sup>According to AAUP, doctoral-level institutions are those which grant a minimum of 30 doctoral-level degrees. These degrees must be granted in three or more doctoral-level programs.

<sup>3</sup>American University, Catholic University, George Washington University, and Georgetown University.

<sup>4</sup>Case Western Reserve University, The University of Chicago, Duke University, Emory University, Georgetown University, Johns Hopkins University, The University of Rochester, Stanford University, Tulane University, Vanderbilt University, and Yale University.

to us by the Department of Education. Among the 55 historically black colleges and universities whose salary data were available, only 1 institution, in addition to Howard, was a doctoral-level institution.

We compared Howard's average faculty salaries with the median salaries of each group of institutions. We computed the median salaries of each comparison group, based upon the data reported by AAUP.

To compare salaries of Howard's top executives and deans with salaries for similar positions at other universities, we obtained data reported by the College and University Personnel Association (CUPA) in its 1982-1983 Administrative Compensation Survey. The 1982-83 CUPA survey was based on 1,487 usable responses from the 2,917 institutions of higher education which were sent survey questionnaires. However, not all 1,487 institutions responded to each question. Institutions reported administrative salaries at an annual, full-time rate, reflecting actual cash earnings.<sup>5</sup> CUPA classified the institutions which reported data by characteristics, such as size of student body, amount of budget, whether the institution was public or private, and whether the institution was a college or university.

CUPA's survey questionnaire included position descriptions for each of the 94 administrative positions surveyed. In order to insure comparability of the salary survey data, institutions were requested not to report salary data if there were substantial differences between the position description and the duties actually performed at the responding institutions.

Howard did not respond to the CUPA survey. This may bring into question the results of our comparison of Howard's salaries with salaries at other institutions; however, there were other reasons Howard officials gave us for not responding, aside from differences between CUPA's position descriptions and Howard's executives' responsibilities. These reasons are discussed on page 10. In any event, the CUPA data was, to our knowledge, the best available data with which to make the salary comparisons as requested by the Subcommittee. We obtained Howard's administrative officers' 1982-83 salaries from University officials.

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<sup>5</sup>This excludes fringe benefits, such as insurance, use of vehicles, and housing.

We compared Howard's 1982-83 salaries for its 8 chief executive officers and 16 of its 17 deans<sup>6</sup> with the median salaries at other universities with a similar-sized student body or budget, as reported to CUPA. These included

- 64 private universities with 5,000 or more students,
- 70 public universities with 5,000 to 9,999 students, and
- 63 private and public universities with a budget greater than \$150 million.

We also compared the salaries of Howard's top executives with the salaries for similar positions at all institutions which reported data to CUPA.

We reviewed the most recent accreditation reports regarding the University and programs in 16 of its 17 schools and colleges, as well as correspondence pertaining to these reports. One school--the School of Communications--had not, as of March 5, 1984, been completely reviewed. We also held discussions with the University President, appropriate vice-presidents, deans, and library officials. Due to our short time frame, our review of the University's College of Medicine did not include the Howard University Hospital.

We reviewed data pertaining to library collection size and expenditures for the University's library system as well as the health sciences and law libraries as reported to various library associations. To determine an appropriate method for comparison, we spoke with officials from the library associations. We compared data on Howard's library system with similar data of 100 other university libraries belonging to the Association of Research Libraries (ARL). We obtained the most recent comparative data from 1981-82 statistics published by ARL. We compared data of Howard's health sciences library with similar data of 133 other academic health sciences libraries in the United States and Canada. We obtained the most recent data on these libraries from the 1982-83 Annual Statistics, published jointly by the Association of Academic Health Sciences Library Directors and the Houston Academy of Medicine-Texas Medical Center Library. The 134 libraries, including Howard's, which responded to the annual survey are in institutions holding "institutional," "affiliate institutional," or "provisional institutional" memberships in the Association of American Medical Colleges.

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<sup>6</sup>Comparative salary data were not available for one of Howard's deans--the Dean of the School of Divinity.

We compared data on Howard's Law School library with similar data of (1) 171 other law school libraries belonging to the American Association of Law Libraries and (2) 36 of these other member law school libraries having a similar-sized volume collection. We used the most recent comparative data available compiled by the American Association of Law Libraries in its 1980-81 survey of law school libraries and librarians.

We interviewed top University officials and reviewed the University's related files and records regarding Howard's acquisition and operation of the Howard Inn. We obtained information pertaining to (1) the University's primary reasons for purchasing a hotel, (2) how the University financed the initial acquisition, (3) the Howard Inn's current financial status, and (4) how the University meets the expenses associated with the Inn's operation. We did not perform an audit of the financial transactions. However, we reviewed the latest financial statements prepared by the University's Certified Public Accountants and discussed them with a representative of the accounting firm.

FACULTY AND ADMINISTRATOR SALARIES  
COMPARED WITH SALARIES AT OTHER  
UNIVERSITIES

The 1982-83 salaries for Howard's top executives, i.e., its President, six vice-presidents, and general counsel, were consistently higher than the median salaries for administrators in similar positions at universities having a similar-sized student body or budget, as reported by CUPA. In several cases, the Howard deans' salaries were also higher than deans' salaries at other universities, although the disparity was smaller. Howard's faculty salaries were more comparable to salaries at other universities.

In fiscal year 1983 Howard's total salaries and wages were \$107.1 million, including \$35.4 million in faculty salaries, \$64.3 million in nonfaculty salaries, and \$5.2 million in wages and overtime costs for nonsalaried personnel. Howard spent an additional \$19.9 million in employee fringe benefits.

Top executives' salaries

The Howard President's salary, \$117,000, ranked sixteenth when compared with salaries of the presidents of the 1,310 institutions responding to CUPA's 1982-1983 Administrative Compensation Survey. Salaries ranged from less than \$10,000 to \$145,999. The salaries for Howard's vice-presidents and general counsel all ranked in the top 10 of the reporting institutions.

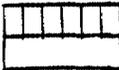
- The Howard Vice-President for Administration and Secretary's salary of \$83,897 was the highest of 660 reporting institutions. Salaries ranged from less than \$10,000 to \$75,999.
- The Howard Vice-President for Student Affairs' salary of \$86,337 was the second highest of 1,309 reporting institutions. Salaries ranged from less than \$10,000 to \$93,999.
- The Howard Vice-President for Business and Fiscal Affairs-Treasurer's salary of \$100,859 was the third highest of 1,355 reporting institutions. Salaries ranged from \$11,000 to \$105,999.
- The Howard Vice-President for Development and University Relations' salary of \$82,412 was the fifth highest of 752 reporting institutions. Salaries ranged from less than \$10,000 to \$98,999.
- The Howard Vice-President for Health Affairs' salary of \$101,737 was the tenth highest of 106 reporting institutions. Salaries ranged from less than \$10,000 to \$146,999.
- The Howard Vice-President for Academic Affairs' salary of \$92,028 was the tenth highest of 1,310 reporting institutions. Salaries ranged from less than \$10,000 to \$125,999.
- The Howard General Counsel's salary of \$83,641 was the second highest of 170 reporting institutions. Salaries ranged from \$14,000 to \$98,999.

According to Howard's President, executive salaries are set by the University's Board of Trustees and based upon salary ranges published by CUPA.

Also, we compared the Howard top executives' 1982-83 salaries with median salaries at private universities with 5,000 or more students, public universities with 5,000 to 9,999 students, and private and public universities having a budget greater than \$150 million. Howard's salaries were consistently higher than the median salaries at institutions in each of the comparison groups. The results of our comparisons are shown in the following tables.

Table I

Comparison of Howard University Administrative Salaries  
With Median Salaries of Private Universities  
Having Student Enrollments Greater Than 4,999  
(1982-83)


 Howard University  

 University Median

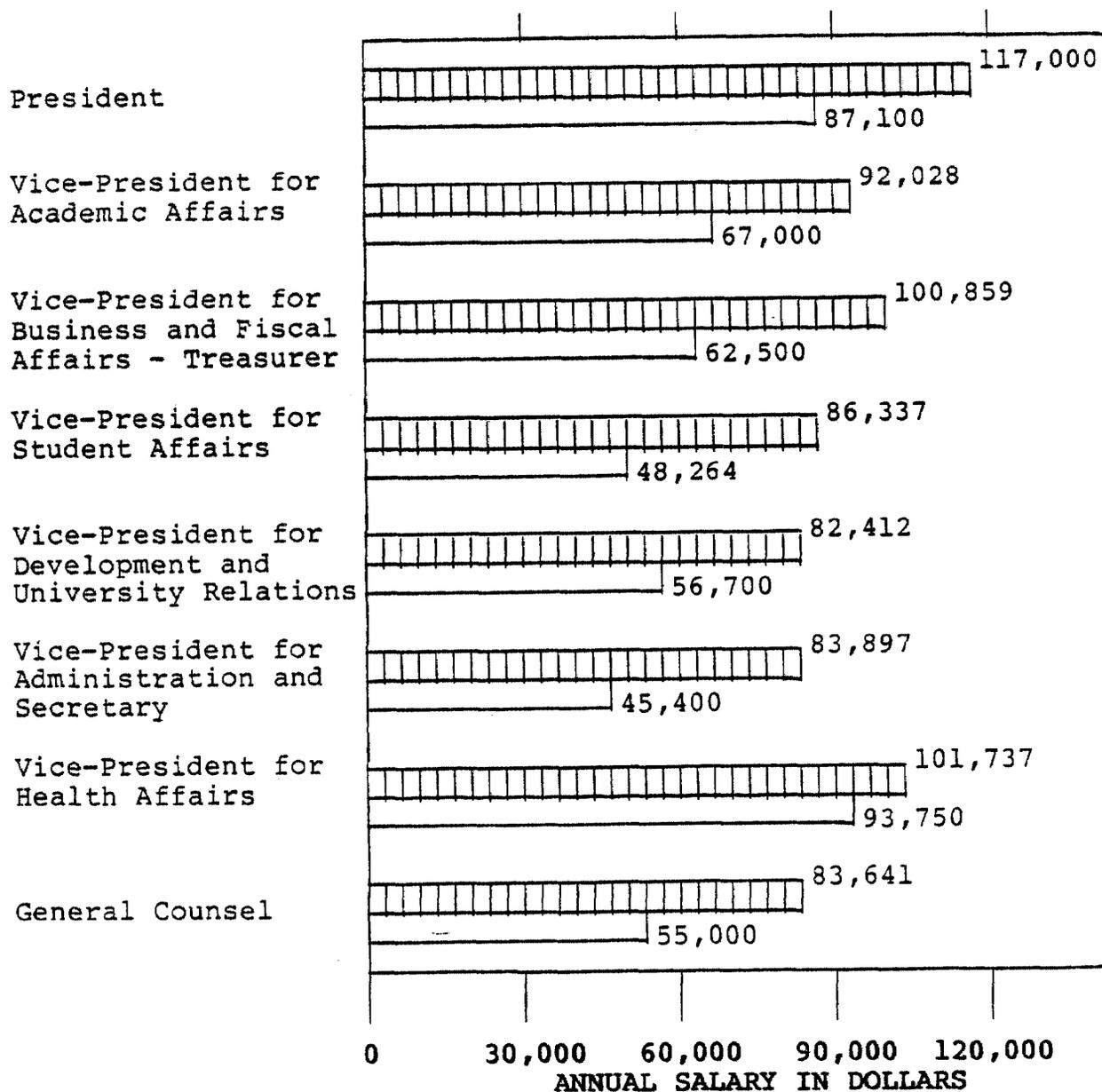
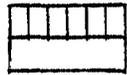
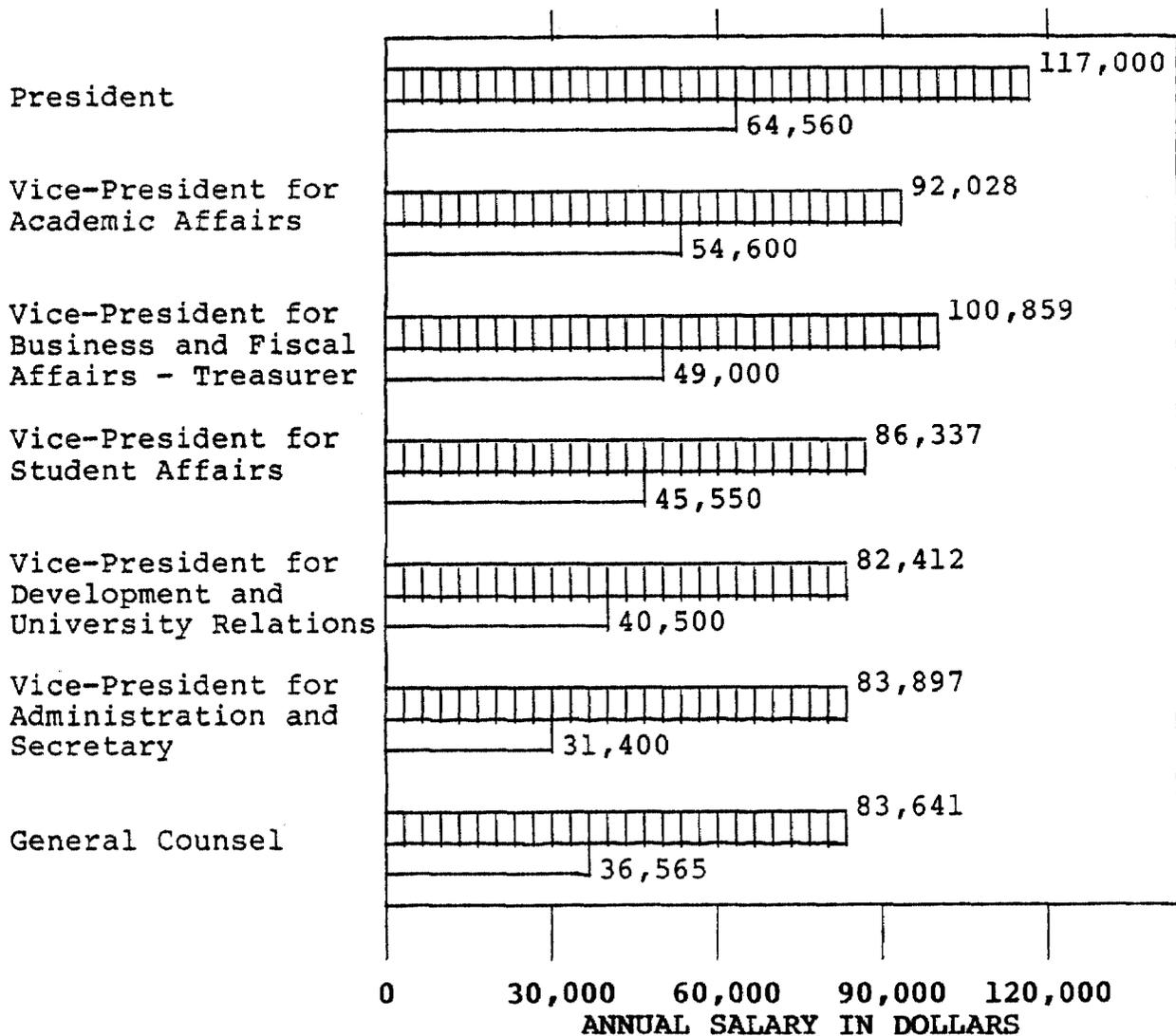


Table II

Comparison of Howard University Administrative Salaries  
With Median Salaries of Public Universities  
Having Student Enrollments of 5,000 to 9,999  
(1982-83)

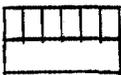
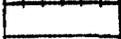

 Howard University  
 University Median

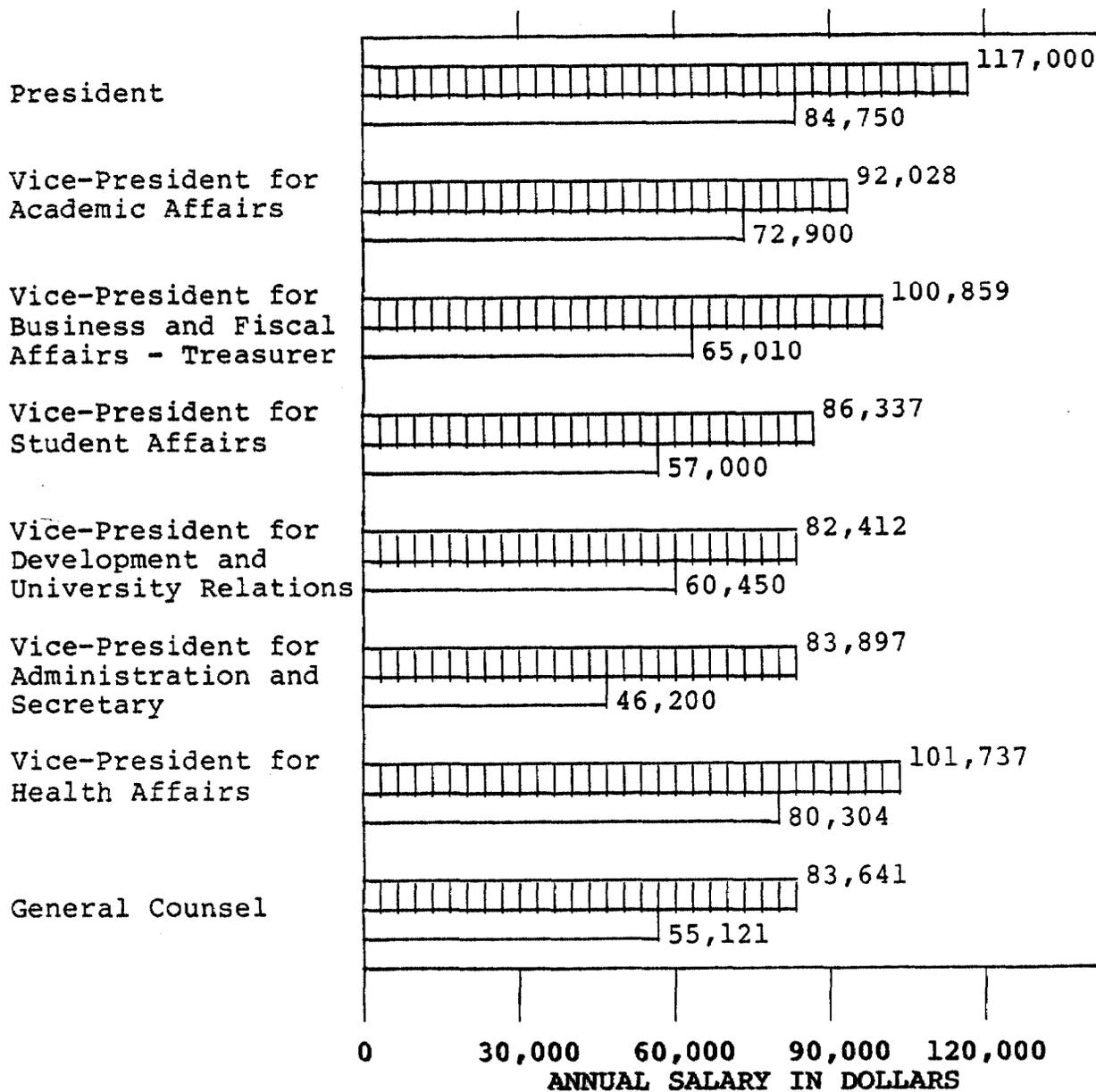


Note: CUPA's data regarding public universities with 5,000 to 9,999 students did not include salary information for the position of Vice-President for Health Affairs.

Table III

Comparison of Howard University Administrative Salaries  
With Median Salaries of Universities  
Having a Budget Greater than \$150 Million  
(1982-83)

 Howard University  
 University Median



When compared with the top executives' median salaries at private universities with 5,000 or more students (table I), Howard's salaries ranged from 8 percent higher for the Vice-President for Health Affairs to 85 percent higher for the Vice-President for Administration and Secretary. Compared with top executives' median salaries at public universities with 5,000 to 9,999 students (table II), Howard's salaries ranged from 68 percent higher for the Vice-President for Academic Affairs to 167 percent higher for the Vice-President for Administration and Secretary. And, when compared with top executives' median salaries at universities having a budget greater than \$150 million (table III), Howard's salaries ranged from 26 percent higher for the Vice-President for Academic Affairs to 81 percent higher for the Vice-President for Administration and Secretary.

We discussed with Howard University officials the differences between Howard's top executive salaries and the median salaries at other universities. These officials stated that they believe other universities offer their top executives other forms of compensation, which are not included in the salary figures reported to CUPA. Howard's President advised us that it is for this reason that Howard does not report its salaries to CUPA. Also, officials stated that Howard's top executives may have greater responsibilities than their counterparts at other institutions. Howard University's views regarding the comparison of executive salaries are included in enclosure II.

In order to meet the reporting date as requested by the Chairman, we did not examine the rationale provided by Howard officials. However, to the best of our knowledge, CUPA's annual statistics provide the best available published data on college and university administrative salaries on which to make comparisons.

#### Deans' salaries

We compared 1982-83 salaries of 16 of the Howard 17 deans'<sup>7</sup> salaries with median salaries for deans at public universities with 5,000 to 9,999 students, private universities with 5,000 or more students, and universities having a budget greater than \$150 million. The results of our comparison are shown in the following table.

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<sup>7</sup>No comparative statistics were available for the position of Dean of the School of Divinity.

Table IV  
Comparison of Howard University's  
Deans' Salaries with Median  
Salaries at Other Universities  
(1982-83)

| Dean of<br>school or<br>college         | Howard<br>University | Median salary  |   |  |
|---|----------------------|--|---|--|
|   |                      | Private<br>universities<br>with<br>more than<br>5,000 students | Public<br>universities<br>with<br>5,000-9,999<br>students | All<br>universities<br>with a<br>budget<br>greater than<br>\$150 million |
| Allied Health                           | \$55,000             | \$51,000   | \$44,454  | \$55,500   |
| Architecture and Planning               | 52,250               | 60,000   | (a)   | 53,356   |
| Business and Public<br>Administration   | 73,005               | 60,750   | 47,500  | 67,000   |
| Communications                          | 58,102               | 65,500   | 42,300  | 56,000   |
| Dentistry                               | 79,000               | 74,500   | (a)   | 75,950   |
| Education                               | 56,170               | 51,000   | 44,910  | 58,878   |
| Engineering                             | 60,000               | 67,000   | 52,850  | 67,500   |
| Fine Arts                               | 58,770               | 55,319   | 43,977  | 55,319   |
| Graduate School of Arts<br>and Sciences | 78,160               | 57,443   | 45,800  | 65,400   |
| Human Ecology                           | 59,864               | (a)  | 39,775  | 59,496   |
| Law                                     | 70,340               | 72,000   | 59,750  | 73,700   |
| Liberal Arts                            | 60,850               | 56,000   | 48,000  | 69,300   |
| Medicine                                | 95,000               | 113,000  | 74,000  | 98,832   |
| Nursing                                 | 60,000               | 50,000   | 43,500  | 60,000   |
| Pharmacy                                | 57,000               | 56,650   | 51,250  | 64,300   |
| Social Work                             | 61,220               | 56,200   | 45,200  | 55,100   |

<sup>a</sup>CUPA does not report median salaries for positions with less than five responses.

When compared with deans' median salaries at public universities with 5,000 to 9,999 students, Howard's salaries were higher in all cases, ranging from 11 percent for the Dean of Pharmacy to 71 percent higher for the Dean of the Graduate School of Arts and Sciences.

When compared with deans' median salaries at private universities with 5,000 or more students, Howard's salaries ranged from 16 percent lower for the Dean of Medicine to 36 percent higher for the Dean of the Graduate School of Arts and Sciences. Of the 15 positions for which salary information was available, Howard's salaries were higher in 10 cases and lower in 5 cases.

When compared with deans' median salaries at universities with a budget greater than \$150 million, Howard's salaries ranged from 12 percent lower for the Dean of Liberal Arts to 19 percent higher for the Dean of the Graduate School of Arts and Sciences. Of the 16 positions for which salaries were reported, Howard's salaries were higher in 7 cases, lower in 8 cases, and the same in 1 case.

Based upon our salary comparisons for all three groups, the Howard deans' salaries were higher than median salaries at similar institutions in 31 cases, lower in 13 cases, and equivalent in 1 case. Of the cases in which Howard's salaries were higher, the salary differences were greatest for Howard's Dean of the Graduate School of Arts and Sciences. According to Howard's President, Howard's Dean of the Graduate School of Arts and Sciences holds both M.D. and Ph.D. degrees, and because he was a former professor in Howard's medical school, his salary base is set according to the medical faculty scale, which is higher than the scale for nonmedical faculty.

#### Faculty salaries

Based upon data contained in AAUP's Annual Report, we compared Howard's 1982-1983 average faculty salaries with median salaries at private doctoral-level institutions, state and state-related (public) doctoral-level institutions, doctoral-level institutions located in Washington, D.C., those doctoral-level institutions considered by Howard University to be in its "peer-group," and historically black colleges and universities. We made the same comparisons for faculty compensation, i.e., salary and fringe benefits. We compared salaries and compensation for professors, associate professors, assistant professors, and instructors. According to Howard's President, Howard's faculty salaries are based upon salary ranges reported by AAUP. The results of our comparisons are shown in the following tables.

Table V

Comparison of Howard University Faculty Salaries  
with Median Salaries at Other Universities  
(1982-83)

| <u>University</u>  | <u>Salary</u> |                     |                    |              |
|--|---------------|---------------------|--------------------|--------------|
|  | <u>Prof.</u>  | <u>Assoc. Prof.</u> | <u>Asst. Prof.</u> | <u>Inst.</u> |
| Howard University  | \$37,000      | \$28,500            | \$23,500           | \$19,700     |
| Median salary at doctoral-level private universities             | 41,400        | 30,000              | 24,000             | 19,900       |
| Median salary at doctoral-level public universities              | 37,600        | 27,800              | 23,000             | 17,800       |
| Median salary at doctoral-level universities in Washington, D.C. | 37,600        | 28,800              | 23,700             | 17,700       |
| Median salary at Howard University's self-named peer group       | 41,300        | 29,900              | 23,600             | 18,800       |
| Median salary at historically black colleges and universities    | 27,900        | 21,400              | 19,700             | 15,700       |

Table VI

Comparison of Howard University Faculty Compensation  
with Median Compensations at Other Universities  
(1982-83)

| <u>University</u>   | <u>Compensation</u> |                         |                        |              | <u>Benefits as<br/>% of salary</u> |
|---|---------------------|-------------------------|------------------------|--------------|------------------------------------|
|   | <u>Prof.</u>        | <u>Assoc.<br/>Prof.</u> | <u>Asst.<br/>Prof.</u> | <u>Inst.</u> |                                    |
| Howard University   | \$43,900            | \$34,200                | \$28,600               | \$23,900     | 20                                 |
| Median salary at doctoral-<br>level private universities                | 50,200              | 36,400                  | 28,500                 | 23,300       | 20                                 |
| Median salary at doctoral-<br>level public universities                 | 43,300              | 33,400                  | 27,700                 | 21,400       | 20                                 |
| Median salary at doctoral-<br>level universities in<br>Washington, D.C. | 45,800              | 34,900                  | 28,800                 | 22,100       | 22                                 |
| Median salary at Howard Univer-<br>sity's self-named peer group         | 51,000              | 36,700                  | 28,600                 | 22,400       | 21                                 |
| Median salary at historically<br>black colleges and universities        | 30,400              | 24,600                  | 22,000                 | 17,700       | 14                                 |

Compared with median faculty salaries at doctoral-level private institutions, Howard's salaries ranged from 11 percent lower for professors to 1 percent lower for instructors. When fringe benefits are included, Howard's compensation ranged from 13 percent lower for professors to 3 percent higher for instructors.

Compared with median faculty salaries at doctoral-level public institutions, Howard's salaries ranged from 1 percent lower for professors to 11 percent higher for instructors. When fringe benefits are included, Howard's compensation ranged from 1 percent higher for professors to 12 percent higher for instructors.

Compared with median salaries at doctoral-level institutions in Washington, D.C., Howard's salaries ranged from 2 percent lower for professors to 11 percent higher for instructors. Including fringe benefits, Howard's compensation ranged from 4 percent lower for professors to 8 percent higher for instructors.

Compared with median salaries at institutions in its "peer group," Howard's salaries ranged from 10 percent lower for professors to 5 percent higher for instructors. Including fringe benefits, Howard's compensation ranged from 14 percent lower for professors to 7 percent higher for instructors.

Compared with median salaries at historically black colleges and universities, Howard's salaries ranged from 19 percent higher for assistant professors to 33 percent higher for professors. Including fringe benefits, Howard's compensation ranged from 30 percent higher for assistant professors to 44 percent higher for professors.

#### ACCREDITATION OF HOWARD UNIVERSITY'S SCHOOLS AND COLLEGES

Howard University was last accredited in 1979 by the Middle States Association (MSA), a regional accrediting body for institutions of higher education. MSA is expected to reinspect Howard in 1989.

In addition, degree programs in 15 of Howard's 17 schools and colleges have been accredited by professional associations. Degree programs in one school, the School of Education, were denied accreditation in February 1979, on the basis of deficiencies found primarily in the school's facilities and curriculum. Accreditation inspections for programs in the School of Communications had not been completed as of March 5, 1984.

Regional accreditation from MSA provides general accreditation for all schools and colleges of the University. However, according to Howard's President, professional accreditation of the programs is necessary so that students will receive full credibility for their course work when applying to programs of other colleges and universities or seeking employment.

Even though an accrediting association may grant accreditation, it will point out in its report any weaknesses it has found as well as the strengths of the programs it has examined. The most frequently cited weaknesses in Howard's accreditation reports were poor facilities and the lack of faculty research.

#### Program strengths

Our review of Howard's accreditation reports found many strengths noted in Howard University's programs. Among some of those mentioned were the strong technology courses in the School of Architecture and Planning; a well-designed sequential curriculum with particular research strengths in the School of Social Work; the programs in humanities, the natural sciences, and the social sciences in the College of Liberal Arts; the "extraordinary" clinical education in the Radiation Therapy Technology Program in the College of Allied Health Sciences; and the research and consulting activities of the School of Engineering faculty.

Program strengths in the College of Medicine are discussed on page 20.

#### Weaknesses cited by accrediting associations

Accreditation reports of degree programs in Howard's schools and colleges noted deficiencies, such as

- a lack of faculty research,
- poor facilities,
- curriculum problems,
- the need for more faculty,
- high student attrition rates, and
- students' low passage rates on national and state examinations.

The most commonly cited deficiencies concerned poor facilities and a lack of faculty research. Weaknesses cited in the College of Medicine are discussed in more detail on page 20.

Of the 23 accreditation reports we reviewed, 10 cited deficiencies in facilities. These included the Graduate School of Arts and Sciences; the Schools of Architecture and Planning, Business and Public Administration, Education, and Engineering; the Colleges of Dentistry, Fine Arts, and Medicine; and the Physical Therapy program of the College of Allied Health Sciences. For example, the American Assembly of Collegiate Schools of Business, during its review of the School of Business and Public Administration in January 1980, found that the "Physical facilities of the School are inadequate, and a vigorous effort should be made to provide adequate facilities." The accreditation report stated that the School is cramped for space and noted that students have very little space to work on programming in the computer room, and faculty share offices with other full- or part-time faculty.

The Accreditation Board for Engineering and Technology, Inc., during its review of the School of Engineering in 1980 found that ". . . Additional space for library and faculty offices is currently needed." In addition, the Board noted that the computer facilities needed to be strengthened. Also, MSA, during its review of the Graduate School of Arts and Sciences during March 1979, found the need to "improve the physical plant, especially in the science programs. This includes providing an environment that would be more conducive to excellence in graduate education."

The lack of faculty research was addressed in accreditation reports of degree programs in eight schools or colleges, including the Schools of Business and Public Administration, Divinity, Education, and Law; the Colleges of Dentistry, Liberal Arts, and Medicine; and the Graduate School of Arts and Sciences. For example, MSA found during its review of the Graduate School of Arts and Sciences in March 1979, that

"More funds should be made available to support the research activities of the School. There is a feeling on the part of some faculty members that the University is not committed to its mission of being 'a University of the first rank,' since it is not willing to provide enough funds for faculty research, especially in the area of research assistantships and postdoctoral fellows."

In its evaluation of the College of Liberal Arts, MSA stated that the University needs to show a commitment to research through

". . . development of a mechanism to facilitate grant writing, shortening delay in reviews of proposals, investigation of outside funding, attention to studies in education, e.g. innovative teaching, concepts of learning, etc."

Also, the Commission on Dental Accreditation of the American Dental Association, during its review of the College of Dentistry in October 1979, stated that Howard had made little progress in correcting the Commission's previous recommendation, that the central and dental school administration increase their efforts to generate a viable research program by providing faculty with release time, research space, and equipment and supplies to start pilot projects.

#### Accreditations denied

All basic and advanced programs in the School of Education were denied accreditation by the National Council for Accreditation of Teacher Education as a result of the Council's review in November 1978. The Council's action was based primarily on the School's lack of facilities and curriculum problems. The Council's report stated that "there is a general lack of facilities essential to the support of the instructional and research activities of the teacher education programs." Also,

"In the program for the preparation of secondary teachers, the professional studies component of each curriculum does not include the systematic combination of teaching and learning theory with appropriate laboratory and clinical experiences."

The School of Education's fiscal year 1984 budget totaled about \$2.4 million--about 1 percent of Howard's budgeted educational and general expenditures of \$199 million. In academic year 1982-83, 42 undergraduates and 199 graduates were enrolled in the School, comprising about 2 percent of Howard's total part-time and full-time students.

While all baccalaureate and graduate degree programs in the School of Business and Public Administration are accredited by the American Assembly of Collegiate Schools of Business, the undergraduate accounting program was denied specialized accreditation in April 1983, by the Assembly, due to a lack of faculty research. The program is a new accrediting program for undergraduate accounting programs. Only 28 colleges or universities nationwide have received accreditation for this program.

According to a University official, the School of Communications was inspected for accreditation in February 1984 by the American Speech and Hearing Association; however, as of March 5, 1984, the results of the inspection were not available. This official also stated that the School expects to be inspected by the American Council on Education in Journalism in 1985 or 1986, when the School plans to meet curriculum requirements.

#### Howard's plans to correct deficiencies

According to University officials, the University plans to correct the deficiencies noted by accrediting bodies pertaining to its facilities and lack of faculty research by increasing its efforts to obtain research grants and requesting renovation and new construction funds in its 1986 appropriation. According to Howard's President, the 1985 budget request for Howard University has a new separate line item for research. These funds will be allocated to support research efforts only. The amount that has been requested is \$5 million. In addition, in 1985 there will be a \$200,000 research program in the humanities and social sciences area.

According to Howard's President, for fiscal year 1986, Howard will request an estimated \$83.3 million in renovation and new construction funds, including the cost of a new physical science department building. In addition, according to a University official, a new facility for the School of Business and Public Administration is currently under construction and scheduled for occupancy in August 1984. The School presently occupies a converted warehouse.

The University's progress in correcting deficiencies cited with regard to its College of Medicine are discussed on page 21.

According to the President, each school and college is responsible for seeking to implement recommendations made by the respective accreditation groups. The President said that schools and colleges set priorities for those accreditation associations' recommendations necessary to meet minimum accreditation standards.

#### Accreditation of Howard's College of Medicine

Our review of the most recent accreditation report of Howard University's College of Medicine found numerous concerns raised regarding laboratory and clinical facilities and a lack of faculty research. University officials advised us that since the report was issued in 1976, a new facility for the College

was constructed, and the College is seeking to encourage more faculty research.

The College of Medicine was most recently accredited in 1976 by the Liaison Committee on Medical Education representing the American Medical Association and the Association of American Medical Colleges. The Committee's accreditation report was based on a review and site visit conducted during November 1976, and a self-study made by Howard's College of Medicine. The Committee reviewed the College's 6 basic science departments and 15 clinical science departments in terms of their administration, faculty, resources, students, and curriculum. The College's accreditation expires this year. According to a University official, the Committee revisited the College of Medicine in February 1984 to determine if the College will be reaccredited. As of March 5, 1984, the results of the Committee's inspection were not available.

#### Program strengths

The 1976 accreditation report noted several program strengths, including:

- A Pharmacology Department that is outstanding;
- A first-class Department of Medicine with a good balance between teaching, research, and service;
- Excellent space and facilities in the Department of Physical Medicine and Rehabilitation;
- The most sophisticated and well-equipped radiation therapy unit in the area; and
- The Center for Sickle Cell Disease, which is an "asset to the College of Medicine and to the University."

#### Weaknesses cited

The 1976 accreditation report cited deficiencies in (1) laboratory and research facilities in five departments (pathology, neurology, perinatal and neonatal, psychiatry, and dermatology) and (2) clinical facilities in three departments (medicine, family practice, and psychiatry). Regarding laboratory and research facilities, the Committee stated, for example, that in the neurology department "Research space is very limited and, although three of the staff have good research training and a good grant record, the research program is severely hampered

by this lack of space." Also, the Committee stated that research space is not available for perinatal and neonatal research.

In addressing the lack of clinical facilities, the report noted, for example, that more clinical facilities were needed for the medicine, family practice, and psychiatry departments. The report also noted a lack of support facilities for the neurology department. The Committee stated that the Chairman of Neurology indicated that a serious lack of support facilities in neuro-radiology has severely constrained his ability to function.

The accreditation report also cited an overall lack of faculty research, and cited examples in the biochemistry, microbiology, pathology, dermatology, obstetrics and gynecology, and psychiatry departments. The report noted that the College's "overall research effort is not as yet self sustaining." Regarding the obstetrics and gynecology department, the Committee stated, "The obvious weakness is in the area of research. There is practically no basic research; no clinical research is going on." Also, the Committee stated that in the pathology department, "There is very little laboratory space for research and the faculty seems apathetic about research."

#### Howard's progress in correcting deficiencies

We were told by University officials that the new Seeley G. Mudd preclinical building, built in 1979, alleviated the deficiencies in laboratory and clinical facilities as cited in the 1976 accreditation report. Seventy-five percent of the funds for the \$8 million building came from a federal grant with a 25-percent match from the Seeley Mudd Foundation. According to University officials, the new facility provides adequate space for more faculty research. According to the Vice-President for Health Affairs, the University has encouraged more faculty research by allowing more release time to faculty for scholarly pursuit; increasing faculty size which allows individual faculty members more time for research; and establishing a liaison with the Director of the National Institutes of Health so faculty members can learn how to obtain research grants.

In fiscal year 1983, about \$3.3 million was available in grant and contract funds for faculty research compared to \$2.3 million in 1976. However, in constant dollars, funds decreased about 20 percent. Also, the number of research grants stayed the same (63) and the number of contracts decreased from 12 to 5.

The following table shows the number of research grants and contracts awarded to the College of Medicine and the corresponding amount of funds--in current and constant dollars--annually available for fiscal years 1976-83.

Research Grants and Contracts  
Awarded to the College of Medicine  
(000 omitted)

| <u>FY</u> | <u>Grants</u> |               | <u>Contracts</u> |               | <u>Total funds</u>     |                              |
|-----------|---------------|---------------|------------------|---------------|------------------------|------------------------------|
|           | <u>Number</u> | <u>Amount</u> | <u>Number</u>    | <u>Amount</u> | <u>Current dollars</u> | <u>Constant 1976 dollars</u> |
| 1976      | 63            | \$2,153       | 12               | \$238         | \$2,391                | \$2,391                      |
| 1977      | 55            | 2,422         | 8                | 424           | 2,846                  | 2,672                        |
| 1978      | 66            | 3,147         | 5                | 591           | 3,738                  | 3,262                        |
| 1979      | 56            | 3,076         | 5                | 413           | 3,489                  | 2,736                        |
| 1980      | 56            | 3,225         | 6                | 454           | 3,679                  | 2,541                        |
| 1981      | 55            | 3,238         | 5                | 170           | 3,408                  | 2,133                        |
| 1982      | 56            | 3,453         | 7                | 557           | 4,010                  | 2,364                        |
| 1983      | 63            | 2,916         | 5                | 437           | 3,353                  | 1,916                        |

COMPARISON OF LIBRARY DATA AT  
HOWARD WITH DATA AT OTHER  
UNIVERSITY LIBRARIES

We obtained comparative data on universities' library activities, including Howard's, from three studies pertaining to (1) university libraries, (2) academic health sciences libraries, and (3) law school libraries.

We found that in comparison with similar libraries,

--Howard's university library system<sup>8</sup> is ranked low in volumes held and high in expenditures for library materials and salaries and wages;

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<sup>8</sup>The university library system is comprised of both a graduate and undergraduate library and seven branch libraries: health sciences, health sciences annex, which serves the Colleges of Pharmacy and Nursing; Architecture; Divinity; Social Work; Business; and Business Annex, which serves graduate business students. Although Howard's Law School Library is administered separately by the Law School, the information which Howard reported, and which is included in this study, includes data on its law school library, as well as its branch libraries.

--Howard's health sciences library, a branch of the University library, is ranked high in its volumes held and journals received, as well as its expenditures for library materials and salaries and wages; and

--Howard's law school library is ranked high in the percent of its budget spent on salaries and wages and low in the percent of its budget spent on library materials.

#### University library system

According to the most recent annual statistics published by the Association of Research Libraries, compared to other member university ARL libraries, Howard's library system ranks low in the number of volumes held and high in expenditures for library materials and salaries and wages. Membership in ARL consists primarily of major university libraries in the United States whose parent institutions emphasize research and doctoral-level instruction. ARL sets minimum membership criteria based upon such factors as the number of fields in which the Ph.D. degree is offered, volume and serial count, and resources. Of the 113 member ARL libraries, 101 are university libraries, and the remainder are public, government, and private research libraries. Of the 113 libraries, 101 are in the United States, and 12 are in Canada.

Compared with the other 100 ARL member university libraries, Howard's university library system is ranked 94 in the number of volumes held, and 44 in the number of volumes added. Howard's library system is ranked 78 and 45, respectively, for the number of microforms<sup>9</sup> held and current serials received. In the area of expenditures, Howard's university library system is ranked

--12 for expenditures for library materials,

--14 for expenditures for salaries and wages, and

--14 for total operating expenditures.

In addition, the library system is ranked 21 for the number of full-time equivalent professional staff.

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<sup>9</sup>Includes microfilm, microcards, microprint sheets, and microfiche sheets.

Law School library

In comparing Howard's Law School library with the 171 other law school libraries that are members of the American Association of Law Libraries (AALL), we found that Howard is ranked

- 60 of 172 in the number of books held,
- 169 of 172 in the number of books added,
- 171 of 171 reporting institutions in the number of serial titles held,<sup>10</sup> and
- 47 of 157 reporting institutions in the number of full-time personnel.

Compared with 165 other libraries providing data on expenditures, Howard's law school library is ranked

- 3 of 166 in the percent of its budget spent on salaries and wages and
- 166 of 166 in the percent of its budget spent on library materials.

The Statistics Coordinator for AALL advised us that a more meaningful comparison would be to compare Howard's library with other large law school libraries. AALL classifies its member libraries into size categories of small, medium, large, and extra-large based upon the total number of volumes held. Howard's library is considered large because its total volume collection (including books and microforms) falls between 200,000 to 300,000. Accordingly, we compared Howard's law school library using the above variables with the other 36 large law school libraries in AALL. The percentage difference between Howard's law school library and the median of the large law school libraries on the six variables is presented in the table below.

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<sup>10</sup>Includes periodicals, supplements, loose leaf materials, and continuing series of books and excludes duplicates.

Comparison of Howard's Law School  
Library with Other Large Law School Libraries

| <u>Variable</u>  | <u>Percent difference between<br/>Howard and the median of<br/>large libraries</u> |
|--|--|
| Number of books held                                     | -14  |
| Number of books added                                    | -77  |
| Number of serial titles held                             | -82  |
| Number of full-time personnel                            | +1   |
| Percent of library budget spent on<br>salaries and wages | +43  |
| Percent of library budget spent on<br>library materials  | -49  |

As a result of the Howard Law School's concern regarding the low budgetary support for library acquisitions, the Law School hired a private consultant to inspect and evaluate its library. The consultant's report, issued in March 1982, recommended an acquisition budget of \$325,000--about \$200,000 more than the library's fiscal year 1983 acquisition budget of \$130,800. The report stated, "Funding limitations may prevent the University from providing the requisite funds, but if such is the case, then the law library will continue to suffer deficiencies in the collection."

For fiscal year 1984, the law library's acquisition budget remained at the previous year's level of \$130,800.

Health sciences library

We also compared Howard University's health sciences (medical) library with 133 other academic health sciences libraries in the United States and Canada whose parent institutions are members of the Association of American Medical Colleges. The libraries are annually surveyed jointly by the Association of Academic Health Sciences Library Directors and the Houston Academy of Medicine-Texas Medical Center Library. Based upon the most recent statistics of the 134 libraries, Howard's library is ranked 39 and 12, respectively, for the number of volumes held and the number of journals received.<sup>11</sup> In expenditures for library materials and salaries and wages, Howard's library is ranked 4 and 28, respectively. In regard to students' and faculty's library reference use as measured by the

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<sup>11</sup>Excludes duplicates.

number of reference transactions and total data base accesses, Howard's library is respectively ranked 61 and 105. Reference transactions are information requests; data base accesses describe the extent to which on line computer data bases are searched to obtain a bibliography or other data.

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According to the President of Howard University, Howard plans to address the issues of (1) the university library system's low ranking in the number of volumes held and high ranking in expenditures for salaries and wages and (2) the law school library's low ranking in library materials' expenditures and high ranking in salary and wages expenditures, once a new University library director is appointed. According to a University official, the library director's position has been vacant since June 1983. As of March 1, 1984, the University had not started seeking applicants for the position.

According to a University official, statistics on reference transactions and data base accesses in the health sciences library may be misleading. The official stated that faculty and students may use other libraries or data bases in the Washington, D.C., metropolitan area, such as the U.S. Library of Congress or the National Library of Medicine, and these transactions are therefore, not recorded by Howard's library.

HOWARD'S ACQUISITION OF THE HOWARD INN  
AND CURRENT FINANCIAL STATUS OF THE INN

The Howard Inn is a 150-room hotel owned and operated by Howard, located adjacent to the University's main campus at 2225 Georgia Avenue, NW., Washington, D.C. The Inn, formerly known as the Harambee House Hotel, was acquired by the University on March 10, 1981, from the Economic Development Administration, U.S. Department of Commerce, for \$1.3 million. No federal funds were used for acquiring the hotel, nor are any federal funds used to meet its operating expenses.

As of June 30, 1983, the original purchase price for the hotel plus Howard's subsequent expenditures for plant facilities totaled \$3,669,165. The accumulated depreciation on the plant and facilities was \$559,280, for a total net property, plant, and equipment value of \$3,109,885. The accumulated operating deficit for the Howard Inn, including depreciation on the building, furniture, fixtures, and equipment, totaled \$4,485,862 at June 30, 1983.

Acquisition of the hotel

Howard's principal purpose for acquiring the hotel was to use it as a training laboratory for a hotel management program being developed in its School of Business and Public Administration. Federal funds were not used to acquire the Howard Inn. Howard financed the \$1.3 million purchase price through a note from a commercial lending institution in the District of Columbia, secured by U.S. Treasury securities that it owned. The note is payable in monthly installments of \$36,111.11 plus interest. Principal and interest payments on the note are made from unrestricted university funds. As of June 30, 1983, the note had an outstanding principal balance of \$397,222.25.

Hotel management program

The objectives of the hotel management program are to provide: (1) broad-based training in the hotel industry, (2) the opportunity for students to apply the learned managerial techniques, and (3) the opportunity for specialization within the industry. In conjunction with the objectives of the hotel management program, the Howard Inn is to be used as a training center where students can learn the management profession through actual experience. According to the Dean of the School of Business and Public Administration, the ownership of the Howard Inn enables the University to control the training and thereby assures that students receive quality training in all phases of hotel management.

The budget for the program was approved in May 1982 to be effective July 1, 1982, and two faculty members for the hotel management program were hired. According to the Dean of the School of Business and Public Administration, the budget for the hotel management program is currently incorporated into the overall budget for the Department of Management and is estimated to be about \$85,000 for academic year 1983-84.

The Dean of the School of Business and Public Administration stated that the hotel management program began operating in the fall of 1982. The Annual Report from the Office of the Dean of Admissions and Records for 1982-83 showed that two students were enrolled in the hotel management program for the 1982-83 school year. According to the President of Howard University, as of February 1984 no students have been trained at the Howard Inn. According to the Dean of the School of Business and Public Administration, the hotel management program is basically a junior/senior program and interested students are just advancing to the junior level, and therefore, the enrollment figures do not take into account all of the students who are interested in

the program but have not yet declared a specific area of concentration. He also stated that since the budget for the hotel management program was not approved until May 1982, many students returning for the 1982 fall semester were not aware of the program's existence. For the current semester (Spring 1984) 20 students are taking an introductory hotel management course, although not all of the students are enrolled in the School of Business and Public Administration.

The projected enrollment for the hotel management program at Howard University is 200 students by 1987. This projection is based, in part, on the attractiveness of this type of program to students, since it offers a combination of study, work experience, and earnings opportunity plus the expected transition to career positions made possible by the training. According to the Dean of the School of Business and Public Administration, the University's resources could support a program with 200 students. The Dean stated that the School would like to increase the rate of student participation in the program by 35 to 50 students each year and it would be 1987 before the program would reach its maximum capacity.

The School of Business and Public Administration is not involved in the operation or administration of the Howard Inn. According to the Dean of the School of Business and Public Administration and the Vice-President for Business and Fiscal Affairs, none of the money used to operate the Howard Inn comes out of the School's budget.

#### Financial status of the Howard Inn

The Howard Inn is operating at a loss. The President of Howard University and the Vice-President for Business and Fiscal Affairs, who is responsible for managing the operations of the Inn, stated that no federal funds are used in connection with the Inn. The expenses connected with the operation of the Howard Inn are met by the revenues generated by the Inn and unrestricted university funds.

We reviewed reports generated through Howard's financial accounting system which showed that none of the Howard Inn's expenditures were being charged to federal funds. Although we did not perform an audit of the Howard Inn's financial activities, a Certified Public Accountant with the accounting firm that reviews the Inn's financial position stated that the University does not use federal funds in operating the Howard Inn.

The Howard Inn's financial statements are audited by an independent certified public accounting firm. The Schedule of

Operations and Changes in Deficit, which presents the financial condition of the Inn as a commercial enterprise, showed that as of June 30, 1983, the reported deficit at the Howard Inn was \$4,485,862. The following table shows the financial position of the Howard Inn for the years ended June 30, 1983, and 1982.

|  | <u>Year ended<br/>June 30, 1983</u> | <u>Year ended<br/>June 30, 1982</u> |
|--|-------------------------------------|-------------------------------------|
| Annual operating expendi-<br>tures and revenues: |                                     |                                     |
| Total revenues                                   | \$2,307,927                         | \$1,822,180                         |
| Total operating expenses                         | <u>4,390,159</u>                    | <u>3,307,447</u>                    |
| Operating loss                                   | (2,082,232)                         | (1,485,267)                         |
| Operating expenses not<br>requiring cash:        |                                     |                                     |
| Depreciation                                     | 347,940                             | 211,340                             |
| Provision for doubtful<br>receivables            | <u>90,000</u>                       | <u>-</u>                            |
| Subtotal   | <u>437,940</u>                      | <u>211,340</u>                      |
| Total operating loss                             | (2,520,172)                         | (1,696,607)                         |
| Deficit at beginning of<br>period                | <u>(1,965,690)</u>                  | <u>(269,083)</u>                    |
| Deficit at end of period                         | <u><u>\$(4,485,862)</u></u>         | <u><u>\$(1,965,690)</u></u>         |

Howard University officials, in conjunction with a Hotel/Motel Management Advisory Board which was established to assist in the development of the program and in the operation of the Inn, are in the process of developing a plan of action to address the current operating deficit of the Howard Inn. According to the Vice-President for Business and Fiscal Affairs, the plan is to be completed by April 1984.

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The Vice-President for Business and Fiscal Affairs stated that he believed that the Howard Inn will eventually be self-supporting and that it will make money. He said that they plan to operate the Inn for another 3 or 4 years as he believed that it would not become self-supporting until 1987 or 1988.

HOWARD UNIVERSITY COMMENTS  
ON GAO DRAFT REPORT  
ON  
SELECTED ASPECTS OF HOWARD UNIVERSITY'S  
OPERATIONS AND USE OF FEDERALLY APPROPRIATED FUNDS

Howard officials do not believe that a comparison of its executive salaries with CUPA statistics is a meaningful or fair comparison for the following reasons:

1. CUPA data are severely limited. These data, according to page 4 of the GAO report, include data supplied by only 1,487 education institutions from an overall universe of more than 3,000 educational institutions or less than 50% of the total. The GAO report also indicates that even the reported data supplied by 1,487 institutions were further incomplete because not all of the reporting institutions responded to each question.
2. The CUPA data include only salaries and not total compensation. Howard officials are of the opinion that many educational institutions compensate executives with package arrangement consisting of salary and other perks that are not available to Howard executives such as housing (Housing is available only for the President), remission of tuition for children of executives who attend other educational institutions other than the employing institution, tax deferred compensation to be paid at a later period of time, paid country club memberships, paid directorships on corporate boards through Trustee/Director combinations, additional compensation from private educational foundations,

better retirement systems, etc. It is the contention of Howard officials that a more meaningful comparison should be made on the basis of total compensation and not on the basis of salaries alone as provided in the CUPA study.

3. The CUPA data show a range of budgets in excess of \$150 million, but do not show the upper limit. These data are meaningless because:
  - a. There are no comparative data for similiar educational institutions like Howard that include doctoral granting degree programs, institutions that have law schools, medical and dental colleges, University owned and operated Hospitals, etc. The data supplied by CUPA do not distinguish these types of comparative data.
  - b. According to the GAO report, Howard's total expenditures for the 1982-83 year were \$308 million. The CUPA data only show budgets or expenditures of \$150 million or more. The extent to which such budgets exceed \$150 million in the majority of the reporting institutions does not show. In addition, these data combine Public institutions that are not comparable with private institutions. The same factors are applicable in the CUPA charts showing student enrollment figures of 5,000 or more.
4. GAO compared Howard's executives salaries with the median of the CUPA salary data. The median of the CUPA salary data is meaningless because it includes data from Public institutions and private universities that may or may not be of the size,

complexity and scope of Howard. Howard University makes no attempt, as a matter of policy, to pay median salaries because of a number of reasons, chief of which are the following:

- a. The current salaries of executive personnel at Howard are based upon (1) job responsibilities and duties (2) qualifications of the individual (3) experience of the individual and (4) length of service in the actual position which, of necessity, includes periodic cost of living increases.
- b. The median range criteria will not attract the type of executive required to perform the duties nor, if attracted will it allow the University to keep the individual in the position for a reasonable period of time. This is due primarily to a premium on qualified minority personnel, especially in the area of management. Majority institutions, both educational and commercial, are constantly recruiting top management personnel from Howard and if the University were to pay salaries only at the median range, it would experience a rapid turnover of major administrators that, in the long run, would be costly and counter productive.
- c. Comparable educational institutions of like size, scope and complexity of Howard, as well as commercial enterprises in the budgetary range of Howard, do not establish executive salaries at the median range of their competitors.

5. The CUPA salary data make no practical provision for (a) education (b) experience (c) qualifications (d) duties and scope of responsibility of the positions. Job titles alone do not define either the duties or responsibilities of the incumbent.
6. THE CUPA study makes no provision or allowance for cost of living distinctions in the metropolitan Washington area which happens to be one of the highest in the nation. This fact was not taken into consideration in the CUPA Study used by GAO.
7. Howard officials are of the opinion that a better comparative study could be made if there were sufficient time to perform an independent salary comparison based on total compensation of selected educational institutions comparable to Howard in all respects, including size, scope and complexity. The comparisons should not include Public institutions because the entire salary structure of Public institutions differ markedly from that of Private institutions.

Howard officials also believe that a comparative study, to be meaningful, must take into consideration the duties and responsibilities of the individual job which includes, among other things, the number of administrative assistants in a particular position, actual duties and responsibilities of the incumbent,

qualification of the incumbent and length of service. An allowance should be considered for cost of living in the area of the location of the institution and any special conditions that may affect the filling of the position. Howard officials see no valid reason why such a study cannot be performed.

It is the further contention of Howard officials that the data supplied by the CUPA study were never intended to be utilized in the manner performed by the GAO study. Educational Institutions use CUPA reporting data merely as guidelines - not as an acceptable data base. A more scientific compensation study is performed annually by AAUP for faculty salaries which ranks institutions of like kind, scope, complexity and area of the country. In addition, certain professional positions such as that of the position of Vice President for Health Affairs, should be compared with similiar positions reported by professional Health related organizations, and not by CUPA which, in most cases, has no reporting responsibilities for such positions.

In conclusion, Howard officials do not believe that a fair and equitable salary comparison has been performed. The CUPA data, in their opinion are incomplete in many respects, do not represent the majority of institutions, have little if any specific job relationship because they utilize job titles only and rely solely on reporting institutions to provide salary data with no valid scientific ranking of similiar institutions and utterly fail to provide total compensation. Howard officials have stated that their differences are not with GAO, but with the CUPA data used for comparative purposes and they do not understand why a study as important as this report could not have been

performed in a more scientific manner by obtaining specific data from comparable institutions rather than the utilization of the CUPA data that are clearly not suitable for this purpose.

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