

# **CRITICAL ACCOUNTING OF UNIVERSITY GOVERNANCE: STAFFING, STUDENTS, EXPENDITURE - A Manual on how to do this research**

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This short guide to examining the finances and staffing of Australian universities was prepared to assist colleagues throughout Australia in determining how legislative and policy changes by successive state and federal governments over the last 20 years have created major structural problems in the tertiary sector. These changes have led to an erosion of the working conditions of academic and professional staff, the standard of education received by students, and the ability of staff, students and the broader citizenry to hold university executives to account for poor decision-making, including financial mismanagement.

Those of us who work in the sector, and have dedicated many years of our lives to it, are once again being forced to bear the brunt of this poor decision-making as a result of COVID. This is happening at a time when Australian universities have never been richer. The managerialist class that has taken over university administrations over the last three decades since John Dawkins' radical restructuring of the sector demonstrate time and again that their primary concern is with reducing the costs to their institutions of delivering teaching and research. Rather than nurturing research and teaching environments that enrich our local communities and the broader society, they look for every opportunity to increase workloads, cut courses, subjects and positions, and generally limit the autonomy of academics and professional staff. University managers and executives clearly see the current COVID crisis as another such opportunity.

Because the currency of managers consists primarily of quantitative evaluations of performance, it seems appropriate to turn their own tools against them in a nationwide exercise of critical accounting by university staffers. Unfortunately for many of those who now run our universities, detailed analysis of key indicators reveals inefficiencies, blockages and under-performance by them with respect to a range of relevant metrics (sic). Facetiousness aside, there appear to be very large sums of money flowing to non-core activities of our universities that are totally opaque to public scrutiny. At the University of Wollongong, for example, Better University Governance has identified almost \$90 million of expenditure in 2019 on the four generic categories of 'miscellaneous' (\$23 m), 'contributions' (\$31 m), 'fees' (\$20.5 m) and 'agent fees' (\$15.4 m). We are still awaiting the UoW Executive's explanation of where precisely these funds were directed.

Those who are interested in pursuing this kind of research at your own universities are directed to the document in the Appendix, titled '20 Years of University of Wollongong Annual Reports, 2000-2019'. These data clearly indicate an increase in teaching workload for staff of around 50%, and a quadrupling of executive salaries, while academics and professional staff have generally experienced a doubling of their salaries over the same period. Similar trends will no doubt be uncovered at other universities by interested colleagues.

All of the data contained in the UoW tables reproduced in the Appendix were derived from annual reports. While these reports have become marketing tools for our universities, and have large gaps and elisions with respect to expenditure, they do contain valuable information which illuminates important aspects of staffing and expenditure at our universities.

## **METHODOLOGY**

The methods used to gather these data are simple but relatively time-consuming.

In each case, a multi-columned, multi-rowed table was created in MS Word, with the years forming the top row from 2000 to 2019, and each subsequent row being dedicated to a relevant category. These categories provide the titles in the far left column for each subsequent row, e.g. 'executive remuneration', 'academic staff salaries', 'total student numbers', etc. (see the Appendix for an example).

As each of the relevant figures is located for each year, the data is entered into the appropriate cell. Transcription errors are easy to make, so use a ruler or some other visual aid to ensure you have the correct numbers entered.

Once the data has been compiled for all of the relevant years, the relevant parts of the table can be copied and pasted into an Excel spreadsheet.

Line and bar graphs, pie charts and other graphic representations of the data can then be made in Excel, and the graphics exported to other programs and documents.

### **1. Searching Annual Reports**

Download and open all the pdf versions of your university's annual reports from 2000 to 2019. They can all be found on your university's main website. The simplest way to find them is by Googling the following search terms as phrases in quotation marks:

"<name of university>"

"annual reports"

### **2. Current Governance Structures of University Councils**

Use the following search terms as phrases in quotation marks:

"<name of university>"

"university council"

Different universities provide this information in different forms. Most provide lists of members along with photographs, short biographies and the nature of their appointment.

Categories to look for are 'officials', 'ministerial appointments', 'council appointments', 'elected staff', 'elected students' and 'council-appointed students'. The latter are always graduates. The terminology used will differ, but it's normally relatively straightforward to identify those in the different categories.

### **3. Professional & Academic Staff Numbers (EFT)<sup>1</sup>, 2000-2019**

Inside each annual report, press <control F> to search for 'staff numbers'.

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<sup>11</sup> EFT = equivalent full-time

If you can't find them this way, a quicker way is to search for 'staff', but start your search at the end of the document and work backwards, because that is where most of the statistical information can be found. There will be too many irrelevant hits if you try searching forward with such a generic search term.

Total staff numbers are sometimes listed at the beginning of each annual report as 'key statistics', or 'key facts', but annual reports seldom separate academic from professional staff. Casual staffing figures are only required to be reported in Victoria.

Not all universities provide annual numbers for academic and professional staff, and some conflate categories, so be careful how you record these data.

#### **4. Student Enrolments, 2000-2019**

Inside each annual report, press <control F> to search for 'student enrolments'.

Total student enrolments are sometimes listed at the beginning of each annual report as 'key statistics', or 'key facts'. They usually also record the number of international students, as well as onshore and offshore international students if your university has overseas campuses.

Not all universities provide these statistics using the same criteria, so again be careful how you record these data.

#### **5. Academic & Professional Staff Salaries, 2000-2019**

Inside each annual report, press <control F> to search for 'salaries' and/or 'remuneration'. You may have to shorten the search strings to 'salar' or 'remun' to find what you're looking for.

Start your search at the end of the document and work backwards, because that is where most of the statistical information can be found.

##### **Remuneration for Vice-Chancellor, 2000-2019**

Inside each annual report, press <control F> to search for 'salaries' and/or 'remuneration'. You may have to shorten the search strings to 'salar' or 'remun' to find what you're looking for.

You will generally not find this information without going to the 'University Council' part of the annual report in most cases (or whatever is its equivalent at your university). The figures are usually given as a \$10k range, and do not include perks. Figures for the latter are lumped together under variously named categories.

Start your search at the end of the document and work backwards, because that is where most of the statistical information can be found.

##### **Executive Remuneration, 2000-2019**

Inside each annual report, press <control F> to search for 'salaries' and/or 'remuneration'. You may have to shorten the search strings to 'salar' or 'remun' to find what you're looking for.

You will generally not find this information without going to the 'University Council' part of the annual report in most cases (or whatever is its equivalent at your university). The figures are usually given as a \$10k range, and do not include perks. Figures for the latter are lumped together under variously named categories.

Start your search at the end of the document and work backwards, because that is where most of the statistical information can be found.

### **'Other Expenses', 2000-2019**

Inside each annual report, press <control F> to search for 'other expenses'.

There may be some other way in which these expenses are listed, so these data may be more difficult to locate.

### **Consultancy Fees, 2000-2019**

Inside each annual report, press <control F> to search for 'consultancy' or 'consult'.

Start your search at the end of the document and work backwards, because that is where most of the statistical information can be found.

You can repeat this process for other items under this generic category.

If you find where the funds spent on consultancies are located, you will probably find them in whatever category your university classifies as 'other expenses'. This will allow you to search for other items such as 'fees', 'miscellaneous', 'contributions' or whatever other generic category management is seeking to conceal large expenditures.