

2019-20 Compensation for Graduate Assistants

FINANCE AND RESOURCE MANAGEMENT COMMITTEE

March 31, 2019

Background

Graduate students who work as graduate assistants while pursuing their master's or doctoral degrees provide a valuable service to the university. Many teach undergraduate classes while others support faculty in scholarly and sponsored research activities. To be competitive in the recruitment and retention of high quality graduate students, it is important for the university to provide compensation packages that are comparable with those offered by peer institutions. The key components of the total compensation package are a stipend, tuition assistance, and health insurance benefit.

Graduate Stipends

One of the primary goals of Virginia Tech during the 1980's was to build a graduate compensation program that was competitive with those offered by comparable institutions. Across the campus, graduate assistants have a variety of responsibilities. To recognize the differences in services performed by these students, the university created a stipend scale that defines ranges of stipend amounts, providing academic and administrative unit's flexibility in compensating graduate assistants. The levels within the stipend table have been adjusted over the years to remain competitive.

To respond to increasing competition for quality graduate students among peer institutions, the graduate student stipend scale was revised for Fall 2003 and approved by the Board of Visitors. The revision better positioned Virginia Tech departments as compared to their national peers and reflected the minimum stipend levels authorized by the National Science Foundation at the time. The Fall 2004 stipend scale added 10 additional stipend steps, numbered 41-50, to increase the university's competitive position in attracting outstanding Ph.D. students. In 2004-05, the graduate stipend scale was enhanced to function as 50 pay ranges (Attachment). These ranges provide flexibility in situations where a defined level of resources does not exactly match one of the existing steps, and allow for an actual stipend to be established within the range of a step.

In 2011-12, an academic year fixed dollar supplement was added to the graduate stipend scale to help offset university assigned costs such as the health fee. As a result, the graduate assistant stipend is currently comprised of two components: 1) a base stipend and 2) a fixed supplement. For administrative efficiency and processing, the two components are combined into the traditional stipend scale. As of January 25, 2019, the

current average monthly stipend for full-time graduate assistants is \$2,052 per month, which falls within step 12 of the 2018-19 stipend scale.

Tuition Assistance

In the 1990's, the university developed a more comprehensive program of tuition remission for graduate students serving on assistantships. The tuition program is financed by four sources including: the General Fund appropriation for graduate student financial assistance, a tuition remission program in the Educational and General budget, tuition payments planned in the budgets of externally sponsored grants and contracts, and private funds. The tuition remission program for graduate students on assistantship includes the remission of tuition, mandatory E&G fees (excluding the state assigned Commonwealth Capital and Equipment Fee), and non-executive graduate program fees. Tuition remission benefits are provided on a per-semester basis for the duration of the contracted period.

In prior years, the tuition remission for the semester was "earned" if the assistantship was in place through the fifth week of the semester. Beginning in fiscal year 2019-20, this procedure will be modified such that in the case of an early termination of an assistantship, tuition remission benefits are prorated to align with the portion of the semester completed, as seen in Table 1.

Table 1

| Number of Weeks Into Semester When Assistantship is Terminated | Student Tuition & E&G Fee Obligation | Department Tuition & E&G Fee Obligation |
|---|---|--|
| Less than Four | 100% | 0% |
| Four through less than Eight | 75% | 25% |
| Eight through less than Twelve | 50% | 50% |
| Twelve through less than Sixteen | 25% | 75% |
| Sixteen or more (full semester) | 0% | 100% |

Health Insurance

At the March 2001 meeting of the Board of Visitors, a health insurance program for graduate students on assistantship was approved as a part of the graduate student compensation package to enhance the university's competitiveness in recruiting highly qualified graduate students. The program was designed to help full-time graduate students receiving a full or partial assistantship, including graduate research assistants, graduate teaching assistants, and graduate assistants, offset a portion of the cost of health insurance premiums. In 2009-10, university management worked with representatives of the graduate student community to review and improve the overall mix and value of benefits provided through the health insurance program; these enhancements were approved by the Board and included in the program for 2010-11. For the 2018-19 academic year, the Board of Visitors approved a health insurance

subsidy rate of 88 percent for graduate assistants, matching the university's share of other employee health insurance programs.

In order to qualify for health insurance, full-time graduate students must have a 50 percent or greater appointment. Graduate students also have the option to decline coverage if they so choose. In 2018-19, the university provided 88 percent of the \$3,175 annual premium cost of the plan to 2,079 graduate students. The plan provided for a \$450 in-network annual deductible, \$5,750 per-person out-of-pocket maximum, \$25 co-pay for in-network doctors' visits, and an unlimited maximum benefit. Students can obtain optional dental benefits for an additional cost.

Proposed Graduate Assistant Compensation Plan for 2019-20

The university proposes the following actions:

- Annualization of the fall 2018 graduate compensation adjustment of 2.0 percent, which was partially implemented during 2018-19 resulting in a 0.8 percent increase to the stipend schedule for 2019-20.
- Further, the university proposes advancing the stipend scale for 2019-20 by implementing a 3.0 percent increase, effective August 10th, 2019. This aligns with the university's planned faculty compensation program.
- The university proposes continuing the university share of the graduate assistant health insurance coverage at 88 percent, based upon the university's current estimate of no cost increase for graduate student insurance coverage.
- Graduate tuition remission will be prorated to align with the portion of the semester completed, effective with Fall 2019.

RECOMMENDATION

That the graduate assistant compensation program for 2019-20 be approved.

March 31, 2019

2019-20 Full-Time Graduate Monthly Stipend Compensation
Effective August 10, 2019

| Step | 2019-20 | | | Total Stipend | | | | | |
|---------|--------------|------------|---------------|---------------|------------|-----------|-------------|-----------|-------------|
| | Components | | AY Supplement | Monthly | | 9 Month | | 12 Month | |
| | Monthly Base | | | | | | | | |
| Step 1 | \$ 1,472 | - \$ 1,472 | \$400 | \$ 1,517 | - \$ 1,517 | \$ 13,653 | - \$ 13,653 | \$ 18,204 | - \$ 18,204 |
| Step 2 | 1,473 | - 1,530 | 400 | 1,518 | - 1,575 | 13,662 | - 14,175 | 18,216 | - 18,900 |
| Step 3 | 1,531 | - 1,586 | 400 | 1,576 | - 1,631 | 14,184 | - 14,679 | 18,912 | - 19,572 |
| Step 4 | 1,587 | - 1,642 | 400 | 1,632 | - 1,687 | 14,688 | - 15,183 | 19,584 | - 20,244 |
| Step 5 | 1,644 | - 1,698 | 400 | 1,689 | - 1,743 | 15,201 | - 15,687 | 20,268 | - 20,916 |
| Step 6 | 1,699 | - 1,758 | 400 | 1,744 | - 1,802 | 15,696 | - 16,218 | 20,928 | - 21,624 |
| Step 7 | 1,759 | - 1,813 | 400 | 1,803 | - 1,857 | 16,227 | - 16,713 | 21,636 | - 22,284 |
| Step 8 | 1,814 | - 1,871 | 400 | 1,858 | - 1,915 | 16,722 | - 17,235 | 22,296 | - 22,980 |
| Step 9 | 1,873 | - 1,926 | 400 | 1,917 | - 1,970 | 17,253 | - 17,730 | 23,004 | - 23,640 |
| Step 10 | 1,927 | - 1,985 | 400 | 1,971 | - 2,029 | 17,739 | - 18,261 | 23,652 | - 24,348 |
| Step 11 | 1,986 | - 2,038 | 400 | 2,030 | - 2,082 | 18,270 | - 18,738 | 24,360 | - 24,984 |
| Step 12 | 2,040 | - 2,093 | 400 | 2,084 | - 2,137 | 18,756 | - 19,233 | 25,008 | - 25,644 |
| Step 13 | 2,096 | - 2,153 | 400 | 2,140 | - 2,197 | 19,260 | - 19,773 | 25,680 | - 26,364 |
| Step 14 | 2,154 | - 2,208 | 400 | 2,199 | - 2,252 | 19,791 | - 20,268 | 26,388 | - 27,024 |
| Step 15 | 2,209 | - 2,265 | 400 | 2,254 | - 2,310 | 20,286 | - 20,790 | 27,048 | - 27,720 |
| Step 16 | 2,266 | - 2,321 | 400 | 2,311 | - 2,366 | 20,799 | - 21,294 | 27,732 | - 28,392 |
| Step 17 | 2,322 | - 2,377 | 400 | 2,367 | - 2,422 | 21,303 | - 21,798 | 28,404 | - 29,064 |
| Step 18 | 2,378 | - 2,436 | 400 | 2,423 | - 2,481 | 21,807 | - 22,329 | 29,076 | - 29,772 |
| Step 19 | 2,437 | - 2,492 | 400 | 2,482 | - 2,537 | 22,338 | - 22,833 | 29,784 | - 30,444 |
| Step 20 | 2,493 | - 2,547 | 400 | 2,538 | - 2,592 | 22,842 | - 23,328 | 30,456 | - 31,104 |
| Step 21 | 2,550 | - 2,606 | 400 | 2,594 | - 2,650 | 23,346 | - 23,850 | 31,128 | - 31,800 |
| Step 22 | 2,607 | - 2,659 | 400 | 2,651 | - 2,703 | 23,859 | - 24,327 | 31,812 | - 32,436 |
| Step 23 | 2,660 | - 2,717 | 400 | 2,704 | - 2,761 | 24,336 | - 24,849 | 32,448 | - 33,132 |
| Step 24 | 2,718 | - 2,775 | 400 | 2,762 | - 2,819 | 24,858 | - 25,371 | 33,144 | - 33,828 |
| Step 25 | 2,776 | - 2,831 | 400 | 2,820 | - 2,875 | 25,380 | - 25,875 | 33,840 | - 34,500 |
| Step 26 | 2,832 | - 2,886 | 400 | 2,876 | - 2,930 | 25,884 | - 26,370 | 34,512 | - 35,160 |
| Step 27 | 2,887 | - 2,946 | 400 | 2,931 | - 2,991 | 26,379 | - 26,919 | 35,172 | - 35,892 |
| Step 28 | 2,947 | - 3,000 | 400 | 2,992 | - 3,044 | 26,928 | - 27,396 | 35,904 | - 36,528 |
| Step 29 | 3,001 | - 3,056 | 400 | 3,046 | - 3,101 | 27,414 | - 27,909 | 36,552 | - 37,212 |
| Step 30 | 3,057 | - 3,114 | 400 | 3,102 | - 3,159 | 27,918 | - 28,431 | 37,224 | - 37,908 |
| Step 31 | 3,115 | - 3,168 | 400 | 3,160 | - 3,213 | 28,440 | - 28,917 | 37,920 | - 38,556 |
| Step 32 | 3,169 | - 3,225 | 400 | 3,214 | - 3,270 | 28,926 | - 29,430 | 38,568 | - 39,240 |
| Step 33 | 3,227 | - 3,282 | 400 | 3,272 | - 3,327 | 29,448 | - 29,943 | 39,264 | - 39,924 |
| Step 34 | 3,283 | - 3,338 | 400 | 3,328 | - 3,383 | 29,952 | - 30,447 | 39,936 | - 40,596 |
| Step 35 | 3,339 | - 3,394 | 400 | 3,384 | - 3,439 | 30,456 | - 30,951 | 40,608 | - 41,268 |
| Step 36 | 3,396 | - 3,452 | 400 | 3,440 | - 3,496 | 30,960 | - 31,464 | 41,280 | - 41,952 |
| Step 37 | 3,453 | - 3,508 | 400 | 3,497 | - 3,552 | 31,473 | - 31,968 | 41,964 | - 42,624 |
| Step 38 | 3,509 | - 3,565 | 400 | 3,553 | - 3,609 | 31,977 | - 32,481 | 42,636 | - 43,308 |
| Step 39 | 3,566 | - 3,623 | 400 | 3,610 | - 3,667 | 32,490 | - 33,003 | 43,320 | - 44,004 |
| Step 40 | 3,624 | - 3,677 | 400 | 3,668 | - 3,721 | 33,012 | - 33,489 | 44,016 | - 44,652 |
| Step 41 | 3,678 | - 3,737 | 400 | 3,722 | - 3,781 | 33,498 | - 34,029 | 44,664 | - 45,372 |
| Step 42 | 3,738 | - 3,792 | 400 | 3,783 | - 3,836 | 34,047 | - 34,524 | 45,396 | - 46,032 |
| Step 43 | 3,793 | - 3,847 | 400 | 3,838 | - 3,892 | 34,542 | - 35,028 | 46,056 | - 46,704 |
| Step 44 | 3,848 | - 3,905 | 400 | 3,893 | - 3,950 | 35,037 | - 35,550 | 46,716 | - 47,400 |
| Step 45 | 3,906 | - 3,960 | 400 | 3,951 | - 4,005 | 35,559 | - 36,045 | 47,412 | - 48,060 |
| Step 46 | 3,961 | - 4,019 | 400 | 4,006 | - 4,064 | 36,054 | - 36,576 | 48,072 | - 48,768 |
| Step 47 | 4,021 | - 4,073 | 400 | 4,066 | - 4,118 | 36,594 | - 37,062 | 48,792 | - 49,416 |
| Step 48 | 4,074 | - 4,133 | 400 | 4,119 | - 4,177 | 37,071 | - 37,593 | 49,428 | - 50,124 |
| Step 49 | 4,134 | - 4,188 | 400 | 4,178 | - 4,232 | 37,602 | - 38,088 | 50,136 | - 50,784 |
| Step 50 | 4,189 | - 4,245 | 400 | 4,233 | - 4,289 | 38,097 | - 38,601 | 50,796 | - 51,468 |



Approval of 2019-20 Compensation for Graduate Assistants

*DWIGHT SHELTON, VICE PRESIDENT FOR FINANCE AND CHIEF
FINANCIAL OFFICER*

*TIM HODGE, ASSOCIATE VICE PRESIDENT FOR BUDGET AND FINANCIAL
PLANNING*

MARCH 31, 2019



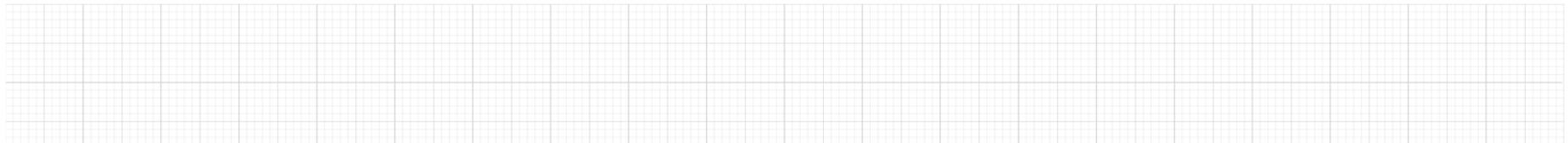
Background

Graduate Assistants provide valuable services to the university, including teaching and support of scholarly and research activities.

Successful recruitment of high quality graduate students requires the university to offer competitive compensation packages.

Components of Total Compensation Package

- Stipend
- Tuition assistance
- Health insurance benefit



Background

1. Base stipend scale provides a range of stipend amounts reflective of differing levels of responsibility.

- Current stipend scale has 50 pay ranges to ensure flexibility to the university programs.

2. Fixed supplement (established in 2011-12 to help offset university assigned costs such as the health fee)

As of January 2019, the current average monthly stipend for full-time graduate assistants is \$2,052 per month.



Tuition Assistance*: Financed by Four Sources



1. **General** Fund appropriation for graduate assistance
2. Tuition remissions in the Educational and General budget
3. Tuition payments planned in the budgets of externally sponsored grants and contracts
4. Private funds

**Includes remission of tuition, mandatory E&G fees, and non-executive graduate program fees.*



Graduate Assistant Compensation Plan for 2019-20

1. Advance the stipend scale for 2019-20 by implementing a 3.0 percent increase
 - This is congruent with planned faculty compensation program
 - Effective August 10, 2019
2. Continue the university share of health insurance coverage of 88 percent
 - This is consistent with the university's share of other employee health insurance programs
3. Graduate tuition remission will be prorated to align with the portion of the semester completed, effective with Fall 2019

RECOMMENDATION:

That the graduate assistant compensation program for 2019-20 be approved.

March 31, 2019





Discussion

