

PREAMBLE:

What this initiative is NOT:

It is NOT a proposal to impose faculty salary reductions or furloughs.

What this initiative IS:

It is a proposal to develop a **PROCESS** by which, in certain defined circumstances (i.e. budgetary crises) and with specific expectations, the WSU administration might propose faculty salary reductions and/or furloughs for a defined period of no more than 1 (one) year. No salary reductions or furloughs would be enacted through the proposed process without Faculty Senate approval.

WHY?

The university's options for responding to a true budgetary crisis are currently limited. As a result, the burdens of crises like the COVID-19 pandemic (i.e., the resulting budget cuts) fall disproportionately on a particular group of faculty and staff – namely career track faculty, administrative professional staff, and civil service staff. During a budgetary crisis, it is these people who are most likely to lose their jobs or face reductions in their FTE. **The overall goal of this initiative is to help protect the most vulnerable members of our WSU family by sharing the burdens of crisis-precipitated budget cuts in more just and equitable ways.** By doing so we will also safeguard our strength as an institution in meeting our teaching, research, and outreach missions.

ACKNOWLEDGEMENT:

The university administration has discussed some budget initiatives and practices that the Faculty Affairs Committee (FAC) members think are inappropriate and/or wrong. Perhaps the most disturbing example is a recent proposal to the Board of Regents (BoR) to use monies from the university's general fund to help address the budget deficit in WSU Athletics. This BoR initiative contributes to a general sense of distrust and supports the concept that the values of WSU leadership are not aligned with its faculty. Nevertheless, FAC believes these are separate issues that should not cause us to abandon our primary goal. We seek to develop a process that provides necessary checkpoints and allows such disagreements to be negotiated. At a minimum, we hope to provide a process that might be in place for future budgetary crises.

THE IMPORTANCE OF TRANSPARENCY & COMMUNICATION

FAC believes it essential that the process to develop these proposed Faculty Manual changes is absolutely transparent. The Faculty Senate must also do everything in its power to broadly and accurately communicate the goals, acknowledged concerns, and specific components of the initiative to the WSU community. We ask that everyone

consider the goals and specific elements without prejudice or malice, and with an eye for nuance. These are complicated matters for which there are no simple solutions.

DRAFT

WSU budget crisis management – changes to Faculty Manual

- I. **Goal** = In recognition that state and university budget crises have inordinate effects on career track faculty, administrative professional staff, and civil service staff, our goal is to create via changes to the WSU Faculty Manual an additional option by which the university might respond. This would be a thoughtfully developed option by which crisis-precipitated budgetary burdens can be more equitably shared by tenured and tenure track faculty. The option also provides for a “check-point” in that any proposed faculty salary reductions or furloughs must be approved by the faculty via the WSU Faculty Senate.
- II. **Guiding principles in developing proposed changes:** We want to develop this new option through an open, transparent process that involves robust faculty and senate input;
 - A. **Anticipated timing** = Senate vote on any proposed Faculty Manual changes before the end of the 2020-21 academic year.
- III. **Triggers for potential salary reductions:**
 - A. Un-anticipated, university-wide emergency situation (short of exigency) that results in or from a reduction in (a) state funding and/or (b) tuition revenue.
 - B. Specific objective criteria defined → Initial FAC proposal = “as part of a significant university-wide **net** budget reduction of **≥5%** for a fiscal year.”
- IV. **Tools:**
 - A. Temporarily reduce FTE and/or impose furloughs for one academic/fiscal year
- V. **Stipulations & Process:**
 - A. The university’s proposed furlough/salary reduction plan must be approved by a majority vote of the WSU Faculty Senate.
 - B. Time limitations = 1 fiscal year
 - 1) after the temporary salary reduction ends, full salary shall be restored automatically unless participating faculty members elect to continue the reduction or university exigency is declared.
 - 2) renewable once by a majority vote of the Faculty Senate for a maximum of 2 consecutive years, total. (Renewal requires that a second proposal be submitted and approved by the Faculty Senate using the same process.)
 - 3) no more than 3 years of faculty salary reductions in any 6 consecutive years
 - C. A progressive approach: Any proposed faculty salary reductions should be scaled to protect faculty with lower annual salaries while expecting more contributions from faculty earning high annual salaries. Therefore, the university’s salary reduction proposal to the Faculty Senate must specifically include:
 - 1) A minimum annual salary below which no salary reductions under this policy shall be imposed

- 2) The administration's proposal to the Faculty Senate must include a specific proposal/plan – i.e. graduated marginal rate brackets through which salary reductions are to applied. The plan must reflect a progressive (i.e. non-regressive) approach analogous to IRS income tax brackets – e.g. These are examples **ONLY**. 0% reduction for earnings less than \$70K annually, 2.5% reduction for earnings \$70-100K annually, 5% reduction for earnings \$100-200K annually, 10% reduction for earnings \geq \$200K annually. Another example: [Oregon State University](#)
 - 3) Any salary reductions expected of faculty must also be applied to WSU administrators and their support staff, as well as WSU athletics personnel. However, this policy does not prevent the WSU President from imposing furloughs or salary reductions on Cabinet members or other senior administrators independent of this process and Faculty Senate approval.
- D.** The administration's proposal to the Faculty Senate for faculty salary reductions must also include (a) a complete presentation (documentation) of what the university has already done to address the budgetary crisis, (b) any additional plans for the coming fiscal year to help address the crisis, and (c) an estimate of monies to be recovered via proposed salary reductions and/or furloughs. If the budget crisis seems likely to continue, the administration should also present (d) a long-term plan. These components and the specific one-year plan for faculty salary reductions and/or furloughs must be presented in writing to the WSU Faculty Senate (via the Senate Steering Committee) prior to a Senate vote.
- E.** Recovered funds will be returned to the college - except in situations where CAMPUS pays salary, then funds are returned to campus.
- F.** Transparency is required: each college/campus is expected to clearly communicate to its faculty how much money is saved through the salary reduction/furlough process and where/how recovered funds are being utilized. The WSU administration is further required to report back to the Faculty Senate (no later than March 1 of the affected fiscal year) with specific information on how the recovered salary funds are being used.
- G.** Further details:
- 1) Faculty salary reductions must be restricted to the portion of salary paid from state funds or tuition revenue only. Faculty salary paid on grants and other extramural sources is not eligible for reduction, except when corresponding salary reductions are required under grant regulations or contracts. These restrictions regarding source of salary funding do not apply to WSU administrators, WSU Athletics personnel, or other WSU administrative personnel who may be paid from other non-state sources. In other words, these WSU employees are expected to share equitably and according to the same formula as WSU faculty members regardless of the source of their funding.
 - 2) For faculty receiving state-based salary or stipends for "additional responsibilities" (ADR funds), the salary reduction calculations shall include their ADR funds – i.e. total state salary and/or stipend funding. These faculty members may opt to take all or part of the reduction from their ADR funding.

- 3) For faculty on 9 month or partial appointments, any salary reduction should be calculated from their base pay. Summer salary for additional (optional) teaching shall not be considered for reduction.
 - 4) For faculty who are promoted in the same year as a scheduled furlough/salary reduction, any promotion associated salary increase shall be awarded. A Faculty Senate-approved, crisis-precipitated salary reduction will be applied to the new, higher salary. Full post-promotion salary will be restored at the end of the fiscal year (unless crisis-precipitated faculty salary reduction is extended by another vote of the Faculty Senate).
 - 5) If cost cutting measures are more effective than anticipated and result in a budget surplus, such surplus funds will be distributed to the academic areas (campus/college) in proportion to the funds generated by faculty furloughs or salary reductions in that area.
- H. Compliance with legal requirements: As with all WSU policies, this policy will be implemented in a manner that complies with applicable state and federal law.

DRAFT:
Faculty Affairs Committee
WSU Faculty Senate

FOOTNOTE:

Furlough = a mandated temporary reduction in the number of hours an employee is regularly scheduled to work.

- The employee will be given at least a 30 day written notice of furlough. Requirements:
- Furlough may not exceed more than 60 calendar days in a calendar year. Colleges and campuses (areas) may not exercise furloughs unless part of a university-wide directed budget reduction.
- Overtime exempt employees who are furloughed for less than a full work week become overtime eligible for the entire work week and must record hours worked for the week the furlough occurred.
- An employee may not use any accrued or paid leave during furlough.
- An employee's vacation and sick leave accruals will not be prorated for periods of time spent on furlough.
- An employee's holiday compensation will not be impacted by periods of time spent on furlough.