

Date: May 13, 2008
To: OSU Faculty
From: OSU Faculty Senate Executive Committee
Re: Release of State Salary Pool Funds

I am writing as Faculty Senate President and on behalf of the Faculty Senate Executive Committee to alert you of a pending decision that may be of significant concern to you. In June, the Legislative Emergency Board is scheduled to consider whether to release \$125 million the Legislature appropriated last year to support salary increases for state agency employees during the 2007-09 biennium. If the Emergency Board does not release these funds the Oregon University System will lose \$28.5 million, \$12 million of which will come from Oregon State University. OSU will be forced to cut budgets for the 2008-09 academic year.

On Thursday, May 8, 2008 the Faculty Senate adopted a resolution, without a dissenting vote, urging the Governor and the Legislature to take the necessary steps to release the entire \$125 million State Salary Pool when the Legislative Emergency Board meets in June. The resolution is online at <http://oregonstate.edu/senate/res0805.pdf>.

Due to concerns over revenue forecast reductions, the Legislature chose not to release the salary funds during the February 2008 supplemental session. Budget leaders said they would wait until the June 2008 revenue forecast (scheduled to be released May 29th) before making a decision.

Under guidance from the Governor last year, state agencies have already raised salaries. OSU increased faculty salaries by 4% in January 2008 and further increases are planned for 2009. Current salaries will not be affected by a decision to withhold these funds. Rather, agencies will have to cut programs. Across OUS, withholding these funds will result in programmatic cuts. The last time the legislature cut university funds in the middle of a biennium, OSU was forced to offer fewer classes and raise tuition. Any salary increases implemented in 2009 will have to come from reducing expenditures elsewhere.

A letter has been sent to Governor Kulongoski from the Faculty Senate President, SEIU President and ASOSU President-elect urging him to release the funds from the State Salary Pool. A copy of this letter is online at: <http://oregonstate.edu/senate/salary0805.pdf>.

What happens next?

1. The next Revenue Forecast is scheduled for Thursday, May 29th. Based on the forecast, we will know whether revenues are expected to continue to slide, level off, or improve.

2. Within a week of the forecast, the Governor must determine whether to request the Emergency Board to release the funds. If the Governor does not request the release, it is possible the issue may not come before the Emergency Board.
3. If the issue reaches the Emergency Board's June 25-26 Agenda, the Emergency Board may exercise discretion in releasing these funds. It may choose to make across-the-board reductions applied proportionately to state agencies, release the funds to some agencies but not others, or not to release any of the funds.

What can you do?

If you care about this issue, you may wish to contact your local legislators and the Governor, as I have, expressing support for releasing the salary pool funding in June. If you choose to become involved, I urge you to do so on your own time. To determine who your local state legislators (State Representative and State Senator) are, follow this link: <http://www.leg.state.or.us/findlegsltr/> (Once you enter your address, this link also provides information about how to contact your legislators.)

Here are seven simple rules to follow when contacting legislators:

1. A personal, legible, hand written note is better than a typewritten letter, which is better than an e-mail.
2. If writing by e-mail, use your home or personal e-mail account and be sure to include your home address so the legislator knows you are a constituent.
3. Use your own words and tell your story. Don't cut and paste from scripts you may have been provided.
4. Don't make demands; don't make threats
5. Keep your letter to a single page.
6. Be absolutely sure you spell the legislator's name correctly and have the right address.
7. Express your appreciation -- say thank you.
8. If you don't hear back in a week, follow through with a phone call.

Information about contacting the Governor can be found at this link:

http://www.governor.state.or.us/Gov/contact_us.shtml

Additional information

The Governor and the Legislature deserve credit for significantly increasing funding during the 2007 legislative session both for Oregon's public universities and for financial aid to Oregon students under the Shared Responsibility Model. The investments are working. Enrollments this fall are projected to increase. Applications from resident undergraduate students are up 15% across the university system. Oregon is providing opportunities for students who never dreamed of attending college.

Withholding funds in June would immediately stop the progress. Universities would be forced to eliminate class offerings, services to ensure student success would be cut, and tuition may be increased.

If the Legislature does not release the funds in June, universities have no choice but to cut their budgets in order to manage the beginning of the academic year in September.

Regardless of what the June 2008 revenue forecast shows, releasing the funds in June gives the Legislature time to rationally and equitably address the problem of future revenue declines. If future forecasts increase, there may be no need for a special session. If the forecasts continue to decline, then a special session is inevitable – and the Legislature will be able to address the problem without focusing harm on higher education.

Failing to release the funds will only create cuts for Oregon's public universities; K-12 and community colleges will be unaffected.

I appreciate any consideration you may give to this issue.

Lynda Ciuffetti
Faculty Senate President

Executive Committee:

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