

# Inter-Institutional Faculty Senate

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Report by IFS President Gilkey to the State Board of Higher Education  
Friday May 8 2009

For the record, my name is Peter Gilkey. I am a Professor of Mathematics at the University of Oregon and have the high honor and privilege of being the 2009 President of the InterInstitutional Faculty Senate.

At the last Board meeting in April, I presented a “snapshot” of activities occurring on the campuses of the Public Universities in the State of Oregon, and the current budgetary challenges facing us. Several members of the board were kind enough to indicate that they found the report useful and to ask me to present a similar report at this meeting. I am delighted to comply. That state, my report is necessarily rather lengthy as much is transpiring – nevertheless, I hope you will peruse it carefully as I am including the materials the IFS Senators sent me to transmit to you. All together it paints a picture that speaks of “us” rather than of “we and them” – the administration, faculty, staff, and students are all actively engaged and there seems to be excellent communications taking place. My report is organized by campuses with a final section at the end dealing with system wide IFS communications including written testimony presented by officers of the IFS to the legislature during the recent town hall meetings, and also comments in regards to the draft proposal concerning undergraduate class size.

The Oregon State University Senate has been particularly active – I have included materials from them with specific recommendations and questions I call to your attention. The OSU Senate wrote me “We would hope that IFS, at the next Board meeting, would make a request of the Board to offer some concrete guidance to help in the current budget climate.” This seems most cogent under our current circumstances and I thereby make this request.

Respectfully submitted

Peter B Gilkey  
President (2009) InterInstitutional Faculty Senate



EASTERN OREGON  
UNIVERSITY

From an email by President Lund:

"Colleagues: The constantly changing budget landscape at the state level and need for additional information at the university level has given us very little time to react, let alone build a comprehensive draft budget reduction plan for our University. Given these parameters and the importance of the document to all of us, we have decided to push back the release of the draft budget reduction plan for one week to allow for inclusion of new data and ensure we have developed as complete and comprehensive a plan for EOU. Dixie Lund"

**The following information is taken from the  
EOUDraftBudgetReductionPlan\_5.01.09.pdf**

EOU's response to this budget challenge was to create a set of planning scenarios of 18%, 20%, and 23% reduction of State support. In each tier of progressive cuts, the overarching principles were 1) to retain for all students the features of a high-quality educational experience, 2) to continue to provide students with an affordable education where there is ample access to programs, 3) to retain all academic and student service programs, 4) to serve the community and be responsive to the region, and 5) to retain all employees....

The University community will have web access to the Draft Budget Reduction Plan: 2009-10 at the conclusion of the President's presentation on May 1, 2009, with a hard copy to be distributed, per contract, to AAP's Vice President in the absence of AAP's President. Employees and students are encouraged to forward comments through their constituency(ies), including the Budget and Planning Committee, University Council, Faculty Senate, AAP, SEIU, and/or ASEOU. These groups will have until May 22, 2009 to provide further input and commentary to the President....

EOU's Mission and Promise to Students. As the Executive Planning and Budget Team began its work to draft this plan, it became clear that the starting place was not the budget or the strategies, but rather, the mission of the University and the promises we make to students. Most importantly, we want to preserve what makes EOU special to students. Therefore, we relied upon EOU's mission, vision, goals, and promise to students as a way to ground our discussions. The work of the Executive Planning and Budget Team preserves the integrity of EOU's mission, ensures the promise to students is kept, assures fiscal sustainability, honors current employees, preserves jobs, and meets accreditation standards while reducing dependence upon State of Oregon resources. Another aspect of our planning is that initial discussions on the EOU promise to students

through achievement of its mission, values, goals, and strategic planning are taking place through the governance process.

## **EOU BUDGET PLANNING FY 09-11 CHARGES TO EACH CONSTITUENCY**

As each constituency within EOU grapples with the daunting task of analyzing our diminished resources and manipulates spreadsheets to determine where to remove function and cost, it is important to have a set of principles that should drive these discussions. Although the bulk of the work ahead is to adjust our spending to match anticipated resources, our process should not solely be directed at considering what to cut or remove from the operation, but should also consider new ideas for how to complete our functions, ways of consolidating and reducing the complexity of operations, and new opportunities that may improve recruitment and retention. The following guiding statements are given to help each constituency delimit deliberations and test potential solutions so as to forward the most efficacious strategies:

Premise: The current economic crisis will end at some point in the future. State support will ultimately be restored to EOU at some pre-crisis level, and we will see recovery after recession. As a campus we must do everything we can to preserve as much of the function of the University as possible so that when we emerge on the other side of the recession we can easily add-back to our organizations. We must believe this to be short-term phenomena as we attend to the guidelines below.

1) All ideas, suggestions, plans and schemes are considered in the grand sense of brainstorming. That said, there are fundamental principles that we must use to test our ideas to assure that we do not risk fiscal, moral, or institutional integrity. We must have a plan that solves our fiscal problem without delaying it to some future plan. We must have a plan that preserves as much of the mission of the University as possible. We must have a plan that preserves as much enrollment as possible. And finally, in this stark reality of global financial crisis, we must have a plan that preserves as many employees as possible. (See *Budget Principles*. A separate set of overarching guidelines to the management of the University.)

2) As we think about budget reductions we must think about what kinds of things we will not do in the future. Although there may be opportunity to still find efficiencies, we have already reduced our labor force to the point that we can no longer take reductions and expect to complete the work we had done in the past. As we go forward, each constituency will have to ask the question “What will we not do in the next biennium?” Or, alternately, “How could we transform some of what we do now into less cumbersome tasks?” It is important to focus on function and not person in this process.

3) If we have a division/unit/service that has a cost benefit to the University, then it should be considered less of a possibility for reduction. Cost centers that return more revenue than expenses should not be considered vulnerable as an ultimate impact may be even less total revenue and more required cuts to balance the loss. As all look at each function of the University, consider the fiscal impact of the loss of the activity or service. Will the loss of this activity lose students? How many? What is the impact on overall revenue? Although all losses at this point will be harmful, there are some more harmful than others.

4) Consider wider, temporary practices such as furloughs (vacation, no paydays). Consider FTE reductions over lay off, as a partial job may be a better way to survive the recession than no job at all. Also consider that on the recovery side of the recession it is easier to add on to an existing FTE rather than layoff and then add employees back to the system. Any of these temporary solutions should be viewed from the perspective that the next two years will be difficult, but we will have recovery and restoration. Those positions that were furloughed or reduced should be considered first as new resources are identified.

5) Consider program reductions, eliminations, or shared programs that will reduce the number of sections that have less than 10 students. Determine how creative scheduling, trading online for on campus, or using partner university course work may help save programs for the long term while transferring short term obligations to other methods. Consider that any program eliminations or furloughs will have to be “taught-out” and that students will need a route to complete their programs online or through another campus.

6) Resist the simple solution of adding more in revenues to make-up the shortfall. Whatever tuition increases we have, whatever enrollment gains, these will be tasked to offset the amounts that we have to reduce the biennium budget. We cannot solve this problem simply by saying we will get more revenue to cover the hole.

7) Resist the simple solution of just resting the problem at the door of the administration. It is likely that even if we had no administration that the cost savings would still be well short of what is needed to solve the problem.

8) Do not delay the major portion of cuts to the second year of the biennium. If we cut only 10% in 09-10 and we should have cut 15%, then we will need to make a 20% cut in 10-11. This added cut in 10-11 artificially reduces institutional capacity in 10-11.

9) Resist the consolidation method of reducing costs by simply having one person do two or more jobs. This is especially true with staff. Remember that if we are going to reduce positions or lay off individuals, we are also shelving things we cannot do or we are extending the time frame for tasks to be completed.

10) To put a context to the problem in terms of dollars may help characterize the challenge ahead. Consider the overall impact of the budget reductions scenarios as significant sums of money: 10% equals approximately \$1.738M, 15% equals \$2.60M, and 20% equals \$3.48M for each year of the biennium. We will not know the specific value of the cut until July, or perhaps later. During the 2008-9 fiscal year, we have been frugal with spending and have saved about \$1M in service and supplies budgets. We might continue this behavior into the biennium so that the additional new cuts would be more like: \$.738M for 10%, \$1.6M for 15%, and \$2.48M for 20%. Again, these are rough estimates for us to put the problem into a larger context. Something of general interest is the overall distribution of funding. The President’s Office uses 1.3% of the University budget, Finance and Administration is 17.99%, Academic Affairs is 74%, Student Affairs is 4.3%, and MDPA is 2.39%.

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The following was provided by an IFS Senator from EOU

Senators:

This past Friday afternoon President Dixie Lund announced to a campus-wide assembly Eastern's "DRAFT Budget Reduction Plan." Here is a link to the plan in its entirety:

<http://www.eou.edu/pres/budget/>

(then click to "Draft Budget Reduction Plan, May 1, 2009 | PDF)

What follows is my attempt to summarize the plan, then summarize the budgetary strategy the plan utilizes, and finally to summarize my estimation of the key assumptions upon which the plan depends. The plan outlines three tiers of reductions, but at the first two, best case, tiers would look like this.

#### **The Plan**

- Increase tuition at a very modest rate of 3.6%
- No program elimination
- No layoffs
- Explicit tie to Eastern's regional economic importance

#### **The Strategy**

- Salary concessions averaging 4.6% for all Eastern employees, including faculty
- Moving a greater percentage of Eastern's distance delivery of course work from adjunct or over-load to faculty in-load responsibility
- Leaving some positions open and reassigning responsibilities to others
- Maintaining this year's reduction in travel and service and supply budgets

#### **The Assumptions**

- A negotiated salary reduction of 4.6% on the part of state-wide classified staff employees
- A negotiated salary reduction of 4.6% on the part of AAP (Eastern's faculty union)

Eastern's Faculty Senate met this afternoon and unanimously passed the following resolution.

**The Senate endorses the spirit of the plan to maintain the integrity of all academic programs. The senate endorses the intention of retaining all faculty and staff. The senate recognizes the severe economic impact of layoffs for the entire region.**



The provost sent a letter to the Oregon Legislature which describes potential budget cuts at OHSU. It's available on the Legislature's web site at

[http://www.leg.state.or.us/budget/agency\\_30\\_reductions/OHSU.pdf](http://www.leg.state.or.us/budget/agency_30_reductions/OHSU.pdf).

The following email was forwarded by an IFS Senator

Sent: Wed 4/22/2009 1:06 PM

Subject: An Exciting Announcement Related to the School of Dentistry

Dear Faculty, Staff and Students,

I'm writing to let you know about some exciting potential developments under discussion at OHSU that could transform the way our school serves the region's dental health needs in the future.

Over the years, the OHSU School of Dentistry has compiled an admirable record of academic excellence by any number of measures. Success has been achieved despite some very real constraints in funding and facilities. We have at times put energy into exploring more collaborative, entrepreneurial models of operations that might allow us to expand the school and to improve an already impressive record. I believe the time is right to return to this search with renewed energy.

As you may know, OHSU has been working its way through a five-year financial plan to try to address long-term structural issues in its funding model and to create a sustainable education infrastructure. Unfortunately, these structural issues have been exacerbated by the economic downturn. As OHSU works its way through these challenges, I have been in conversations with President Joe Robertson about the possibility of exploring alternative models for the School of Dentistry. He and I agree that the time is right for bold ideas to develop and grow the school and take a fresh look at our future. Ironically perhaps, this situation offers us a moment of serendipity to re-imagine and re-invent the OHSU School of Dentistry.

You should be aware, of course, that one of the possible outcomes of this process is that some state funding now supporting the School of Dentistry may be transitioned to areas of OHSU that are disproportionately underfunded. I believe that the goal of greater independence from state support is likely to bring some strategic advantages to our School, but those issues will have to be explored.

Re-inventing the School is a big job, and I will surely need your help along the way. We will begin immediately setting up a process to explore the many possibilities that lie before us. Whatever form that process takes, you can rest assured there will be plenty of opportunity for involvement by faculty, students, alumni and friends as well as corporate partners and community leaders. I hope you will join with us as we work to ensure a future of exceptional dental education in Oregon.

You will be hearing from me again very soon. In the meantime, if you have any questions, don't hesitate to contact me directly. Jack W. Clinton, DMD Dean



An IFS Senator from OIT writes: “The focus at OIT is to streamline as much as possible and cut all non-essential courses and services. Tuition increase will be around 8% next year. We are also looking at program reduction for those programs that are the weakest.”



The Senate of Oregon State University requested that a special session of the IFS be held before the State Board Meeting in May. Unfortunately the time frame was simply too short for that to be possible. Instead, the following email of Wed, 29 Apr 2009 is included as part of the IFS Report. It is from Paul Doescher (OSU Senate President) and Joanne Sorte (IFS Senator from OSU).

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Hi Peter,

This is a joint letter from Joanne Sorte, senior IFS Senator from OSU, and myself to clarify our goal for collaborative conversation among the IFS representatives. First off, we both want to thank you for considering our request for IFS to hold a special session, and providing alternate means to communicate some of our concerns.

There has been some confusion related to why the EC of the OSU Faculty Senate requested a special session of the IFS. Our request was prompted by a perceived need to clarify what "tools" and "options" exist from an OUS perspective that need to be consistent in dealing with the current budget situation. We recognize that each campus will approach budget reductions in their own unique ways. However, we feel that there are several specific areas where system-wide guidance and consistency could be helpful. We deem it important to spark such conversations as a way to equip campuses with strategies in advance of the May forecast, and for this reason proposed an opportunity for participatory conversation. Below, we pose some of the ideas that we have discussed in the form of questions:

1. Is there a consistent means to implement retirement incentives to foster FTE reduction? Strategies that were used before were determined to be less than successful due to their long duration. What short-term variations could be attempted now to achieve a "voluntary" relinquishment of positions through retirement as an alternative to lay-offs and mandated position reductions?

2. Will there be mandatory FTE reductions across the system? Will the Board consider these to be temporary, with potential of re-instatement?

3. In lieu of FTE reductions, could employees contribute to their health care costs and thus gain a pre-tax advantage?

4. Are there means to reduce the annual leave liability such as mandatory campus closures, required vacations...?

We imagine there are other ideas floating around that would also relate to helping achieve budget targets. Convening groups to brainstorm and discuss potential ideas is generally considered a fruitful way to move beyond old strategies and envision new possibilities. This was the purpose of our proposal for joint discussions. We would hope that IFS at the

next Board meeting would make a request of the Board to offer some concrete guidance to help in the current budget climate. If either of us can be of help to you and IFS in this matter, please do not hesitate to ask. THANKS!

**Paul S. Doescher** Department of Forest Ecosystems and Society Director, Natural Resources Program 2009 President, OSU Faculty Senate Oregon State University Corvallis, OR 97331 541 737-9401

**Joanne Sorte** Department of Human Development and Family Sciences, Director Child Development Lab IFS Senior Senator Oregon State University Corvallis, OR 97331 541 737-2516

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The following was forwarded by OSU Senate President Doescher:

Dear Dr. Doescher,

Since I will not be on campus tomorrow to attend the Senate meeting, I would like to suggest the following alternative for the Senate to consider taking forward to those on campus who will be making budget decisions, especially regarding possible salary or FTE cuts for unclassified faculty (research/teaching, professional, or other):

For those unclassified faculty whose salaries would be mandated to be cut by one of the above methods, why not offer them another option instead of cutting the base pay (which affects PERS, future social security benefits, among other things), and instead of reducing FTE (which means not as much work would get done, thereby reducing administrative services and support provided by professional faculty to research and teaching faculty and students and which could mean a reduction in programs if teaching faculty's time were reduced)? This alternate option is to allow them to gift back to OSU that portion of salary that otherwise would be cut by one of the methods just mentioned.

This could be accomplished through payroll deduction, thereby relieving OSU and thus the state of Oregon from having to pay out those amounts. The employee at least gets something out of it by being able to claim it as a tax deductible donation. I know that there must be a way for this to be figured out in detail, with set up of a certain fund or index to account for the payroll deduction/donation. Even if some employees couldn't be mandated to have a reduction in salary or FTE, they may even volunteer to use this alternate option if it were available.

Please be creative in considering options for balancing the budget in the university, which already is understaffed in terms of providing the level of services and support that research and teaching faculty need in order to continue to provide their excellent research, other sponsored activities, programs, and instruction, and in order for OSU to fulfill its mission.

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In a subsequent email, OSU Senate President Doescher wrote:

.... The budget reductions will hit us very hard both in E&G funds and Statewide funds (which exacerbate the hit to E&G due to tenured positions associated with Extension and the Experiment Stations and no tuition to offset this decline). Paul

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The Chancellor wrote IFS President Gilkey an email concerning the budget situation. It was transmitted to the OSU Senate and to the members of the IFS with the permission of the Chancellor and is copied below

To: "Peter B Gilkey" <gilkey@uoregon.edu>

From: "Pernsteiner, George" <George\_Pernsteiner@ous.edu>

Date: Mon, 27 Apr 2009 16:52:09 -0700

Peter---Thank you. This is helpful.

I have spoken with many legislators today and they all are awaiting the May 15 forecast. We remain hopeful that the 30% reduction scenarios are not about to become reality. There is a lot of talk about revenue packages (although nothing seems certain or even likely yet).

I have heard more concern about cuts to campus public services and the OSU statewides than about any other reductions (except for some campus closure items that I hope are not going to occur--this morning Senator Devlin (majority leader) publicly stated his commitment to keeping campuses open).

Early retirement options (something mentioned in Paul's message to you) have to be approached cautiously for several reasons. First, we face growing enrollment and new federal research opportunities--which argues against reducing faculty if possible. Second, we learned last time we tried an early retirement approach that some campuses actually wound up spending more for the combination of the health care payments for the retirees and the salaries of successor faculty than they saved through the retirement. Further, we extended it also to staff (which wound up adding to cost). Finally, so many faculty have seen their retirement savings plans lose money in the past year that there might be a reluctance to take advantage of an early retirement option.

The way our rules work, exigency and program reduction are campus specific. If we wanted to approach them as statewide matters, we would need to change our rules first. Further, as hard as it is to say this, not all campuses are in the same financial straits at given levels of state funding reduction. Approaching exigency on a statewide basis could have unwanted long-lasting deleterious effects on campuses who otherwise would be strong. I would want to approach this very deliberately and cautiously.

In sum, I agree with your approach. I would be happy to speak with President Ray and OSU faculty if they have special concerns. I know that the fact that the statewides are part of OSU may make their situation more difficult than that of the other larger campuses. Of course, if you and other IFS leaders do call a special meeting, I and others stand ready to work with you.

Thank you again.

George

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Provost and Executive Vice President Sabah Randhawa wrote to the OSU community on Monday, April 27, 2009 1:11 PM

As you are aware, the University is currently facing uncertainty regarding our funding levels for the next biennium. This situation is evolving and we anticipate that it will continue to change through the next fiscal year. We also know that the economic downturn facing the State of Oregon is significant. These budgetary conditions necessitate that we develop various strategies to ultimately reduce our state general fund budget by up to 30% for FY 2009-11.

We will not have preliminary budget information until sometime in July 2009. In the meantime, we must move forward with the fixed-term faculty notice of appointment process for FY 2009-10. The extraordinary budget challenges facing the state, coupled with current uncertainty about the size of the cuts the University will need to make, leave us no choice but to build additional flexibility into the appointment process at this time. To that end, this year's fixed term appointments will allow for the possibility that the University may reduce salary, reduce FTE, or terminate an appointment with 60 days' notice. Employees on fixed term appointments will see these changes reflected in their notice of appointment letters.

We recognize that our employees are the heart and soul of this institution, and that each and every one of you contributes to making OSU the special place that it is. We are mindful of that as we navigate the current fiscal situation, and will do our best to keep you fully informed as the budget situation becomes clearer.

Becky Warner, Acting Vice Provost for Academic Affairs and International Programs, and Jacque Rudolph, Director of Human Resources, will provide additional information to administrators and supervisors in the next day or so as part of the contract renewal process. Should you have questions about this process, please contact Becky or Jacque.

Sabah Randhawa Provost and Executive Vice President

On Tuesday, April 28, 2009 3:46 PM the following communication was sent from [inform-c03-bounces@lists.oregonstate.edu](mailto:inform-c03-bounces@lists.oregonstate.edu). It deals with

Renewal and Non-Renewal Model Letters and Timeline for Completion and Distribution for Fixed-Term Faculty Appointments. This document is referenced in an email to the UO Community by UO Provost James Bean which is also part of this IFS report.

This information is being sent to the following lists:

Inform-C01 Deans  
Inform-C02 Academic/Research Heads/Chairs/Directors  
Inform-C03 Administrative Heads/Chairs/Directors  
Inform-C04 Associate/Assistant Deans  
Inform-C05 Associate/Assistant Heads/Chairs/Directors/Managers  
Inform-C11 Office Managers/"Assistant To's"

The document contained in the attached Word file is being sent by attachment only due to the special formatting of the document. If you are not able to open the attachment, please contact Liz Newcombe at 737-0551. This document is also available at the Office of Human Resources website: <http://oregonstate.edu/admin/hr/model.html> under Notice of Appointment Model Letter for Appointments Beginning On or After July 1, 2009, by clicking on the second highlighted " memorandum ."

**Office of Human Resources**  
122 Kerr Administration Building  
Corvallis, Oregon 97331-2132  
Telephone: 541-737-3103  
Fax: 541-737-7771  
<http://oregonstate.edu/admin/hr/>



April 28, 2009

MEMORANDUM

TO: Senior Executive Administrators, Deans, Directors,  
and Department/School Chairs/Heads

FROM: Jacquelyn T. Rudolph  
Director, Office of Human Resources  
Becky Warner, Acting Vice Provost, Academic Affairs  
And International Programs

SUBJECT: Fixed-Term Faculty Appointment Renewal and Non-Renewal  
Model Letters and Timeline for Completion and Distribution

CONTACT: Nancy Bremner, Academic Human Resources Officer  
extension 7-0736 or [nancy.bremner@oregonstate.edu](mailto:nancy.bremner@oregonstate.edu)

The renewal/non-renewal fixed-term appointment process is once again being conducted utilizing online spreadsheet tasks. The online spreadsheets and instructions were made available to designated college/unit staff on April 21, 2009, with a return deadline of May 15, 2009 (May 11 for non-resident aliens).

As in the past, the issuance of notice of appointment renewal or non-renewal letters will occur after the completion of the spreadsheet process. **This year important changes have been made to the model letters for fixed-term faculty members (excepting those paid on gifts, grants or contracts). It is important that departments/units use the 2009-10 model letters to ensure that notice of appointments to fixed-term faculty members are completed accurately.** Additionally, contract dates in the appointment letters must coincide with the information submitted on the spreadsheets. The model letters have been updated and are available at:

<http://oregonstate.edu/admin/hr/model.html>

**Timeline and Notice Requirements**

We ask that you follow the timeline below when completing this important process:

Week of May 11	<b><i>Deans, Directors, and Department Heads are asked to notify the Associate Director for Employee Relations or the Director, Office of Human Resources, of their intent to not renew an employee's appointment as soon as possible and prior to the week of May 11, 2009.</i></b> Notification prior to the week of May 11 provides an opportunity for consultation. Please refer to the information beginning on page three of this memorandum regarding the non-renewal notification timeline
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	requirements for professional faculty, instructors and senior instructors that vary based on the employee's years of service.
Week of June 1	Departments/units are asked to distribute notice of appointment renewal letters to employees <b><u>during the week of June 1, 2009</u></b> , and forward copies of the employee signed letters to the Office of Human Resources.

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Every fixed-term employee must receive one of the following letters:

- Notice of appointment letter renewing his/her appointment (9- and 12-month employees); or
- Notice of reasonable assurance letter (9-month employees only); or
- Notice of non-renewal letter (9- and 12-month employees).

#### **Notice of Appointment**

- If you are prepared to issue a notice of appointment to a 9- or 12-month fixed-term faculty member for an appointment beginning either July 1, 2009, or September 16, 2009, you are required to use the model letters provided on the Office of Human Resources website as noted above. ***Important changes have been made to the 2009-10 model letters and you are required to use the newly revised letter. Do not use model letters from previous years.***
- The Periodic Review of Faculty, PROF review, is an important part of personnel management and should be completed and on file prior to the renewal process occurring. Reviews of unclassified employees are to be maintained in each department/unit. Please refer to the Performance Evaluation section located at <http://oregonstate.edu/admin/hr/policies.html>, for information on PROF reviews.

#### **Notice of Reasonable Assurance**

- It is appropriate to send a "reasonable assurance of continued employment" letter to those 9-month faculty members you would like to rehire but for whom you are unable or unwilling to ***make a firm commitment by June 1, 2009***. Oregon Revised Statute 351.267 was designed to insure that 9-month fixed-term faculty who are likely to be rehired for Fall Term would not qualify for unemployment insurance during the summer. The model letter is available on the Office of Human Resources website noted above.

### Multi-year and Extended Appointments

- Multi-year and extended appointment information will be distributed under separate cover by OHR. Do not take any action in issuing letters for these appointments unless you have received information from OHR.

### Notice of Non-Renewal of a Fixed-Term Appointment

- If there is a fixed-term faculty member, either 9- or 12- month, who you do not plan to reappoint for the 2009-10 academic or fiscal year, please notify the Associate Director of Employee Relations or the Director, Office of Human Resources, as soon as you have made that determination but no later than the week of May 11, 2009. A non-renewal requires consultation with the Associate Director or the Director and their approval. Notification no later than the week of May 11 provides an opportunity for consultation to occur. If you are unable to meet this timeline, contact either the Associate Director or the Director to discuss. Their contact information is included at the end of this memo.
- Requirements for the non-renewal of appointments ending on or before June 30, 2009, are outlined below. These notification requirements are for professional faculty, instructors and senior instructors at 0.50 FTE or greater (not paid on gift, grant, or contract funds and excluding instructors appointed from an emergency pool recruitment) when such action is for reasons other than cause (OAR 580-021-0320) or financial exigency (OAR 580-021-0315).

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### Minimum Required Non-Renewal Notification Requirements

<b>Years of Continuous Service</b>	<b>Professional Faculty, Instructors or Senior Instructors</b>
<b>Less than two years</b>	<b>One Month</b> prior to the beginning of the next contract period
<b>Greater than two years but less than six years</b>	<b>Two Months</b> prior to the beginning of the next contract period
<b>Six years or more</b>	<b>Four Months</b> prior to the beginning of the next contract period

- If the minimum notification requirement outlined above is not met, the college/unit will be required to renew the employee's contract for the length of time necessary to achieve the required notice period. **Before providing a notice of non-renewal to an employee who falls within this category, contact the Director of Human Resources for review and approval.**

### Scheduling and Use of Vacation Leaves

- ***As a reminder, those twelve-month employees who are not being renewed should be provided sufficient notice to allow them to use their available vacation balance.*** The employee must be paid out for

any remaining vacation leave at the time of termination whether or not payment is requested. Please refer to the OAR below for additional information.

**OAR 580-021-0030 Scheduling and Use of Vacation Leaves.** *Vacation leaves are scheduled with approval of the employee's supervisor and should be planned cooperatively with the employee. Vacation leave should be scheduled in such a manner as to minimize disruption to the organization. Supervisors must be reasonable in allowing the use of vacation leave and may not unreasonably deny vacation requests where the result would be the forfeiture of accrued vacation.*

If you have questions about this process, please contact Nancy Bremner at 7-0736 or [nancy.bremner@oregonstate.edu](mailto:nancy.bremner@oregonstate.edu).

For contract non-renewal matters, please contact:

Jeri Hemmer	Associate Director for Employee Relations	7-0757
	<a href="mailto:Jeri.hemmer@oregonstate.edu">Jeri.hemmer@oregonstate.edu</a>	
Jacque Rudolph	Director	7-0546
	<a href="mailto:Jacque.rudolph@oregonstate.edu">Jacque.rudolph@oregonstate.edu</a>	



The IFS Senators at PSU forwarded the following information

- 1) President Wiewel has called an all-university meeting at 12:30 on 15 April.
- 2) On this past Monday at 5, the PSU Faculty Senate passed the enclosed:
  - Whereas**, PSU expects a significant revenue shortfall of as much as 30% at the state level, and
  - Whereas**, The administration considers it prudent to consider all available strategies, including the review of programs, and has asked us to consider the formation of an ad hoc committee to develop "a process and set of criteria to be used generally as part of program review but specifically taking into account the possibility that program evaluation may lead to program reduction and elimination as part of our current or impending budget reductions,"
  - Resolved**, That an ad hoc committee be created, composed of one member each from the Educational Policy, Budget, Academic Requirements, Undergraduate Curriculum and Senate Steering Committees, the Advisory and Graduate Councils, (to be chosen by the Committee on Committees), and administrators (to be chosen by the administration).
  - Additional Information**: The administration recommends the following representatives: Carol Mack, academic administration and planning; Shawn Smallman, undergraduate studies and curriculum, Delys Ostlund, graduate studies; Kathi Ketcheson, data acquisition and analysis, Steve Harmon, staff support and knowledge of academic program processes. This group would begin meeting immediately and seek to develop a draft process and set of criteria for consideration no later than the June 2009 Faculty Senate meeting.
- 3) On this past Monday at 5, the PSU Faculty Senate also passed the enclosed:
  - Whereas**, PSU faculty recognize the need for the University to respond in a timely manner to state budget reductions, and
  - Whereas**, A spirit of shared governance requires that PSU faculty have a significant voice in decisions affecting the University and its mission,
  - Resolved**, That the Educational Policy, Budget, Academic Requirements, Undergraduate Curriculum, and Senate Steering Committees, as well as the President's Advisory and Graduate Councils, will continue to meet over the summer, and the Steering Committee may call one or more summer meetings of the Faculty Senate, which like the above committees and councils, will as of June 4, 2009 comprise incoming and continuing members for 2009-2010.



Information provided by an IFS Senator at SOU.

SOU President Mary Cullinan has formed a financial strategies task force to be advisory to the President. The focus is to increase revenues or decrease expenses in the next biennium on a macro level. The task force is chaired by Professor Susan Cain, and the hope is to keep the finances transparent at SOU. Made up of 4-faculty, 3-staff, 1-student, and the Vice Presidents are exeficio members. The task force will be making recommendations in June. The goal is to create a portfolio of options will have been vetted through this group and ideas will be ready to go before the campus for the decision making process as we know more about the actual cut levels.

SOU is considering every possible opportunity for meeting the cuts, including:

- Elimination of positions that are no longer funded
- A hiring freeze for all positions not deemed crucial
- A freeze on travel
- A freeze on purchases over \$100
- A reorganization of staff for greater efficiency
- Furlough days
- reduced FTE from faculty who offer it
- Charitable donations from employees
- Full or partial Friday closures during the summer (although this might not be possible due to miscellaneous programs held during the summer)

Many think we should charge a 3-cent tax on all purchases within the University! There is much talk about the furlough days and how to meet the 4.6%. More to come on this as the AP: SOU negotiations continues.

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Statement prepared for the Joint Ways and Means Committee Hearing

April 30, 2009

Dan Rubenson, Professor of Economics, Faculty Senate President, SOU

Good evening. I am a professor of economics at SOU; in my earlier career I was economist at the Congressional Budget Office. Today I will address the effects of state budget decisions on how quickly Oregon and the rest of the nation can recover from the current recession.

One of the lessons we learned from the experience of the 1930s is that ill-informed government budget decisions can worsen an economic decline. Rather than try to balance its budget, the federal government should continue spending in order to maintain overall demand in the economy.

But, federal transfers and our own rainy day funds are not enough to fill Oregon's budget hole caused by the current recession, so we are still left with the need to balance our state budget through some combination of spending cuts and revenue increases.

Either one—spending cuts or revenue increases—will exacerbate the recession. But there is considerable economic evidence that, for the same dollar amount, spending cuts are more damaging than revenue increases. Why is this? In the short run, the economy is driven by the total spending in the economy. Each dollar cut from state spending is a dollar cut from this total demand, but a portion of each dollar of additional tax revenue comes from reduced saving rather than spending. Even though the fraction that would have gone to saving is small (maybe only one tenth), it is magnified as it ripples out through the economy.

Mark Zandi, chief economist of Moody's and economic advisor to presidential candidate John McCain, analyzed this difference between the effects of spending cuts and tax increases at the federal level. He found that the total negative impact of a dollar increase in revenue is about 50 cents. The negative impact of a dollar of reduced government spending, by contrast, is about \$1.50, or roughly three times as large.

This substantial difference is magnified at the state level, because state government spending tends to be more concentrated on local businesses, while a larger portion of the spending lost through revenue increases would have gone out of state.

Economic analysis indicates that revenue increases are likely to be less economically damaging than spending cuts. But won't revenue increases, especially if they are directed toward upper-income individuals or businesses, push economic activity out of the state? The evidence shows that tax rates have a very small effect on where people live. Other factors, including crime rates, quality of schools, and quality of life are much more important. Similarly, research on business location decisions indicates that state taxes are low on the list of determining factors. Access to raw materials and markets, quality of life, and quality of the educational system and labor force show up as much more significant. This could explain why Oregon, which is 49th among the states in business taxes, has not experienced overwhelming demand from firms seeking to relocate here.

Thanks very much for your time and your efforts to wrestle with tough issues on our behalf. As a chronic professor, I can only close by asking if you have any questions.

## **Ways and Means Public Testimony**

April 30, 2009

Submitted by: Dr. Kip Sigetich, Business and Economics, SOU. [Sigetich@sou.edu](mailto:Sigetich@sou.edu)

Good evening. My name is Kip Sigetich. I have a Ph.D. in Economics and am a professor of Business and Economics at Southern Oregon University. One of my areas of specialization is Public Finance, which analyzes on the nature, structure, and financing of various levels of government.

There is little doubt Oregon is facing a fiscal crisis at present. Cutting expenditures is a necessary step in balancing the budget over the next biennium, but it is not possible to balance the budget via expenditure reductions alone. Nor would it be in Oregon's interest to make such extreme cuts in areas such as health and human services

and education, especially in response to a very real and acute, but temporary, economic downturn.

As a result, there is no choice but to look to additional revenue sources over the next biennium. Let me be clear that I prefer lower taxes to higher taxes as a general rule, but these are not ordinary times—and ordinary decisions will not balance our state budget.

I have suggestions for revenue increases in three areas that I support, both professionally and personally

### **Commodity Taxes**

Increase the major consumption-oriented commodity taxes, specifically: beer, other alcoholic beverages, gasoline, and tobacco--where the long-term health implications merit a very aggressive approach. Taxes on these items will raise revenue quickly and efficiently.

### **Personal Income Tax**

A broadening the tax base for the personal income tax is critical. One strategy is to tax Social Security income, especially for higher-income retirees. Secondly, the overly generous deduction for federal income taxes paid should be eliminated, or at least drastically scaled back. This “subtraction” is simply a \$500 (and growing) giveaway to taxpayers with \$43,000 or more in federal taxable income (about \$21,500 if a single). Moreover, it is of no benefit at all to the more than 1/3 of all Oregonians who pay no federal income tax.

The state’s proliferating credits should be eliminated or at least curtailed. Specifically, the political contributions credit, the credit for biofuels and residential energy credits. Finally, age-based tax-benefits, such as the larger standard deduction for older taxpayers, should be income-dependent.

The second area for improving the personal income tax is a simple one—I strongly urge a more progressive state income tax. With the 9% rate starting at around \$7,500 (S) and \$15,000 (M), the income tax is nearly flat. For a state relying on an income tax almost exclusively (Circa 82% of state revenue), a top tax rate of 10% or 10.5% is by no means excessive and would help in making the income tax more progressive.

### **Corporation Income Tax**

The dramatic erosion of the corporate income tax should be reversed (share of revenue down 50% in the past 15 years to around 5% of state revenue, or less). Some of the remedies are technical in nature, but others are simpler. A second bracket should be established. The incredibly low minimum corporate income tax of \$10 should be raised to the \$100 to \$500 range typical of other states.

In sum, I’d like to restate that low taxes are a desirable goal, but so is a healthy public sector, providing much-needed services. Although there are many ways of measuring tax burden, data from 2004 (Tax Foundation) indicates that Oregon ranks 36 in the nation in terms of state taxes levied as a percentage of per capita income. While we all like low taxes, the claim that Oregonians are “overtaxed” is certainly not defensible relative to other states.

Thank you for your time and attention.

## **Ways and Means Testimony, Thursday, April 30**

### ***Faculty, the Essential Ingredient for Academic Excellence***

Honorable Co-Chairs Senator Carter and Representative Buckley, and Members of the Joint Ways and Means Committee:

My name is Sherry Ettlich. I am a Professor of Mathematics at SOU.

Decision-makers may believe Higher Education has dealt more easily with budget cuts than other State agencies. That is only true if you ignore the price paid by our students and our faculty.

Students will share the impact of high tuition rates on accessibility and affordability. I'm here to share the impact of depressed salaries on recruitment and retention.

Southern Oregon University has a dedicated and capable faculty. They have chosen to serve Oregon, to educate our young people at a real cost to themselves. How long can we survive on their generosity?

I came in '87. My choice to return to Oregon and be closer to my family required taking a \$1000 pay cut, about 4%. When we hired our Statistician, his desire to stay in Oregon meant forgoing offers of \$10-15,000 more. We just successfully concluded a search for a math educator, our third attempt in as many years. Once again, we were lucky. A well-qualified candidate had strong ties to our valley.

The challenge doesn't stop with recruitment. Recently hired faculty are challenged to find affordable housing. Two faculty in my department lived in student housing in an attempt to save enough for a down payment on a home.

Despite the sincere efforts of our campus administration and the past legislative session, SOU faculty salaries are still in the bottom 10% nationally. Our professors forgo \$10-25,000 to be in Oregon, more if compared to the Pacific region where the higher cost of living has driven up faculty salaries. Few aspiring university faculty in today's economy can afford this.

Faculty retention is also a challenge. One of our instructors took a position at a California Community College, doubling her salary with no loss in benefits. It's hard to sell the institution, the community, and Oregon under those conditions.

I chose to stand before you because I deeply believe higher education is at the heart of a vibrant and successful Oregon. An educated populous contributes, not only as voters and taxpayers, but as workers and entrepreneurs, developing and attracting greener businesses that provide living wages and support a growing and vital economy.

A recent salary study warns against shortsighted decision-making that jeopardizes the engine of economic growth housed in our Universities. A 15-30% budget reduction to Oregon's University System will severely jeopardize our ability to recover and respond to Oregon's emerging industries and workforce.

Yet you face some very challenging decisions, some which feel like impossible choices. As part of the solution, you must draw funds from all agencies and boldly establish new revenue sources to get Oregon through the next biennium and beyond.

As you make your decisions, I urge you to give the individual OUS Universities choice in how they meet needed targets in order to continue to serve Oregon as an educational force and engine for economic growth throughout this State. We are ready to partner with you, but need the freedom to do so well.

**Average Faculty Salaries by Rank**

	<b>Professor</b>	<b>Associate Professor</b>	<b>Assistant Professor</b>	<b>Instructor</b>
<b>Southern Oregon University</b>	\$69,300	\$54,300	\$45,900	\$39,300
<b>All Master's Granting, Public Universities</b>	\$88,357	\$70,308	\$59,416	\$43,183
<b>Pacific Region (AK, CA, GU, HI, OR, WA)</b>	\$94,974	\$75,468	\$65,028	\$48,644

Drawn from the AAUP annual faculty salary survey data published in the 2009 March/April issue of *Academe*



Email from President Frohnmayer and Provost Bean to the UO Community April 7, 2009

Dear Colleagues:

We need you to read this one.

We have tried to protect folks from the impact of the worldwide financial crisis, including pushing pay increases last November for faculty and OAs. But we need to engage the community in the difficult discussions now that may play out this summer when many are away from campus. While we have held continuing discussions with the Faculty Advisory Council, University Senate officers, Senate Budget Committee and the Budget Planning Committee, the broader university community deserves the opportunity to discuss and better understand the potential depth of the issues. We will hold another town hall meeting for the university community on Tuesday, April 14 from 9:00-10:30 a.m. in the EMU Ballroom.

We need to talk about two separate issues: a) budget issues this year (today until June 30, 2009), and b) budget issues during the next biennium (July 1, 2009-June 30, 2011).

The State's rescission for UO (money that must be returned from our budget) so far in this year is \$8.6 million (\$1.7M last fall plus \$6.9M recently). There may be an additional rescission after the May 15 revenue forecast, but no one knows yet. We will handle the current rescission of \$8.6M by taking \$3.7M from central sources (including sweeping some central budget balances), \$2.1M from the spring term tuition increase (net after 30% is held back for financial aid), and \$2.8M from academic units. It will be difficult to handle this rescission and any additional rescission because we're so late in the year. The options for returning the \$2.8M from academic units seem to be limited to sweeping departments and college reserves or a process of temporary appointment reduction.

A number of the faculty and unclassified staff have asked for the opportunity to contribute a small part of their earnings to the solution of these issues. We have already asked the leadership to do this. The President, Vice Presidents, Vice Provosts, Deans, some Associate Vice Presidents, some Directors, faculty leadership, higher paid coaches and Department of Intercollegiate Athletics leadership have already been asked to contribute. Participation has been very high.

To encourage broader voluntary participation, savings from voluntary appointment reductions in academic departments for the next three months (including the Deans') will be credited against the cuts due from those units. As an example, suppose a fictitious college has a general fund budget of \$10M. That college may be asked for a return of 1.5% which equals \$150,000. If the college achieves salary savings of \$100,000 through voluntary reductions during April, May and June then the total amount of savings

is applied to the expected cut. In this case the net budget cut to the college will be reduced to \$50,000.

We encourage discussion within each unit of how it hopes to cover these academic unit cuts. For those who wish to contribute salary to the solution, please go to <http://brp.uoregon.edu/fte-reduction> to get details and to volunteer. Note that such reductions are just for April, May and June of this year, and end automatically at that time. There is also an outright gift option that may be preferable for those near retirement, those serving at 50% appointment, or those fully funded on grants and contracts. Your contribution will go directly to help your academic unit.

#### Next Biennium

The legislature is just beginning to work on the next biennium. The Oregon University System has been asked to plan for cuts between 20% and 30% of our state allocation. That is \$15M to \$25M out of an \$80M allocation annually. We cannot do detailed planning until we know more about these cuts. However, we will not cannibalize the tuition from new enrollment to fill state deficits. We need to provide an Oregon experience to these additional students; their tuition must provide for the increased staff, faculty and financial aid necessary to accommodate them. Nor can we reallocate grants and contracts or endowments that are given for specific purposes. We do know from scenario planning that some sort of salary reduction is helpful at the 20% cut level, and will be critical at the 30% cut level, even after tuition increases. On April 3, the State Board of Higher Education passed a rule that, if we receive a 30% cut from the legislature, each institution must reduce salary expenditures by 4.6%. Possibilities for this reduction include a) FTE reduction program like the one we are offering for this academic year, b) layoffs, or c) program discontinuation. A high turnout of voluntary FTE reduction will reduce the need for options b) and c).

We also have a serious equity issue. Although the outcome is still under union negotiation, it is possible that many classified employees will face unpaid furloughs during the next biennium. It is critical for our campus that unclassified faculty and staff share the burden. Please join us in the voluntary appointment reduction.

We look forward to seeing you at the town hall meeting on April 14 at 9:00 a.m. in the EMU Ballroom.

Sincerely,

Dave Frohnmayer President, Jim Bean Senior Vice President and Provost

The following document was sent to the UO Community by Provost Jim Bean on Wednesday 29 April 2009. It is in response to documents transmitted to the OSU campus and which are presented in the OSU portion of this IFS report. It reports, amongst other matters, active engagement with the governance bodies of the UO community.

Colleagues:

Our sister institution in Corvallis just released an email describing the provisions for contract renewal for next year. We thought it best to take this opportunity to update you on our processes. We should note that OSU is more closely linked with state funding because of their land grant mission and statewide programs (like extension). While the contract structure they have proposed may be appropriate for their situation, we do not feel that we have the information necessary to detail contracts yet. We do not know the

extent of cuts in state allocations, nor do we know how many students will return for next fall. We may not know these important parameters until mid-summer.

We are developing an interim solution for contracts that balances the need for flexibility with the desire for security and are consulting with the Senate Budget Committee, Faculty Advisory Committee (FAC), and Budget Planning Committee on these issues. The latter was put in place specifically for this reason and includes representatives from the Senate, FAC, and Chair of the OA Council. Here is what we do know:

1. Avoiding layoffs is still a high priority and there is no layoff plan in place. There are scenarios where layoffs may be necessary, but there are others where there are none.
2. If layoffs do become necessary in some areas, there may be opportunities elsewhere in the institution for displaced staff members, classified or OA.
3. We will begin processing contracts when we have the information necessary to know what must go in them. The normal time for processing most staff renewal contracts is late May, so we are not yet late. If you have not gotten a contract yet, that is not unusual. Most everyone is in the same boat.

If you have questions, please contact Linda King at 346-2966 or [llking@uoregon.edu](mailto:llking@uoregon.edu).

Regards, Jim

# Western Oregon University

An IFS Senator from Western writes:

I do propose that the May IIFS message convey the concern that in this time of state funding cuts, the Oregon public universities are the one agency that will see an increase in demand of services with increased enrollments. This may be the time to single out the Oregon public university system as an agency that deserves minimal cuts in order to ensure that Oregon citizens, who are seeking higher education for employment opportunities in the near future, receive adequate education for their efforts to better re-enter the workforce with skills and knowledge that will improve the state's condition. Faculty are at the front line of providing the future for these returning students to re-enter the workforce better prepared. Investing in faculty, instead of cutting faculty compensation, would be an important step to ensure progress to a positive future for the Oregon economy.

An IFS Senator from Western writes:

Current budget reduction planning at Western Oregon University includes the following:

1. Tuition: increase new cohort and non-promise in-state undergraduates by 9.5%; increase out-of-state UG by 6%' Increase graduate student rates by 4%; net of increased remissions \$1.2 - \$1.6 million
2. Salary: decrease of up to 5%; \$1.0 - \$1.2 million
3. Hiring "chill/vacancy savings (~10-15 positions); \$.7 - \$1.0 million
4. reduced services and supplies expenditures; \$1.0 - \$1.5 million

# Inter-Institutional Faculty Senate

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## Undergraduate class size

At the April meeting, the Board considered a Draft Document concerning

“Unless a compelling educational reason exists, no undergraduate lecture course offered for credit and enrolling fewer than ten students will be schedule. It is recognized, nonetheless, that some electives and required sequences in specialized curricula may make it necessary to offer classes below the standard of ten students...”

Several IFS Senators forwarded comments concerning this policy which could impact 400/500 courses – i.e. classes which enroll both undergraduate and graduate students.

1. The 400/500 level issue may even be more complicated. For instance, what if there are 5 graduate students (500 course) and 2 undergraduates (400) course? The total is less than 10---but it could be necessary for the graduate students to complete a field or program. Would this policy mandate then cutting the 400 class ---which would effectively reduce total class enrollment to 5 rather than 7. Maybe these classes could be exempt?

2. The class size proposal seems relatively benign and wisely exempts non-lecture courses. But I don't understand the need for a top-down state-level directive. Unless there are systemwide abuses we should know about, this seems a matter best left to individual institutions. The issue you raise concerning concurrent 400/500 courses, for example, is only likely to be noticed by those with knowledge of local conditions. Other institutions may well have their own exceptions. So why impose any blanket policy?

3. In advanced studios and topical seminars, we regularly combine advanced undergraduates and graduate students, using split 400/500 course numbers. For us, it will be critical to understand that this is one course and that enrollment should be considered as the total. Often we have a course that is full and turning away students, but still there might be less than ten students enrolled under each CRN. I imagine that there would be similar issues in other studio-based disciplines.

## Response to Article in the Oregonian

IFS President Gilkey was quoted by the Oregonian on Monday April 6 in an article by Susan Pardington as stating

“...Peter Gilkey, a math professor at the University of Oregon and president of the university system faculty senate, said a 4.6 cut to faculty salaries would be a "shared sacrifice." "I feel really lucky that I have a job, which I adore," he said. "Speaking only for myself, I can deal with (a 4.6 percent pay cut) to show solidarity with the rest of the state employees and with the people who are out of a job."

One faculty member at an OUS University replied to IFS President Gilkey and requested that the record be set straight publicly.

Dear Peter:

I am a faculty member at [deleted], and I am deeply disturbed by some of your comments in the Oregonian this morning. I realize that you were "speaking only for yourself," but most of your colleagues around the state would find absorbing a 4.6 percent pay cut quite difficult. Many of us have families with young children, and that money goes to pay our food, mortgage, and health insurance. You've given fodder to those who already incorrectly believe that professors are overpaid, yet, as you know, our salaries are far below national averages. I hope that you can find a way to set the record straight publicly.

## Testimony before the Legislature

IFS President Gilkey and Past IFS President Ayers offered both oral and written testimony before the Higher Education Subcommittee in Salem on Monday April 20

### *Shared Opportunity for Oregon Students*

As Oregon tightens its belt, turns its head down, and braves through this budget storm the Oregon University System is getting creative with keeping Oregonians at home and working hard to assist in directing students' educational needs and dreams. The current economic crisis has more eager learners turning to universities for answers. As enrollments increase, capacity issues are still a reality. The University of Oregon and Southern Oregon University have created a partnership to keep UO students on course as they start their education at Southern Oregon University (dual enrolled at both institutions) and two years later complete their degrees at UO. Known to those who have the vocabulary as "Systems Enrollment Management" the partnership allows for Oregon to serve more students and fill campuses that have the capacity to grow.

Students who arrive at SOU under this UO umbrella will have the opportunity to participate in University Seminar and University Studies at SOU. University Seminar is the freshmen experience that immerses first year students deep into subject matter as the curriculum integrates the process of writing, communication, and critical thinking into a content area of choice. The University Studies portion of the SOU experience guides the student into the liberal arts education while focused on prophecies shared by the American Association of Colleges and Universities as being Best Practices in learning for higher education.

It is a shared belief by both universities that not all students that enter SOU as UO students will leave to complete their studies in Eugene. Think back to the course that made you realize what you wanted your major to be...this usually happens within the first two years of college. Although SOU does not have the number of degree offerings that UO does, the smaller class size and teacher centered program offerings is a wonderful experience for students who do well in this type of learning environment.

The reputation of the University of Oregon as an AAU Institution and as a tier one research institution will attract many students back to their campus to study with professors who have strong endorsements and acknowledgement in their field of expertise. The admission standards for UO remain the same. Students going to SOU as prospective UO campus students are held to the same standards as the Ducks to the north. And the UO will ensure they are kept in contact with their future alma mater.

Regretfully, both schools are expecting to significantly increase tuition and please note that this effort to share students is not a budgetary item to save money. Rather, it is truly a creative way under the auspices of the OUS system to start an admission sharing process that is expected to carry over to other campuses. Serving students and educating our citizenry in Oregon is within the mission of every campus in the system.

A highly educated populace is essential to the future of Oregon. The Oregon University System is truly a System – and the “Systems Enrollment Management” described above is an example of this – it is a partnership between two public Universities in the state of Oregon that will enable more Oregonians to obtain a quality higher education. We know these are difficult economic times and there are many calls upon the limited resources of our state. Still, Higher Education is one of the few “positive sum games” available – where the monetary return to the State over the long run far exceeds the monetary input.

The Inter-Institutional Faculty Senate reports to the Faculty Senates of the OUS Universities and represents the faculty of the OUS System. In our role as the immediate past president and as the current president of the IFS, we respectfully urge you to fund the Oregon University System to the greatest extent possible. The future of Oregon is at stake.

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Testimony to the Oregon Joint Ways and Means Subcommittee on Education,  
Hearing held at Southern Oregon University 30 April, 2009

Dr. Lee Ayers,  
Associate Professor, Criminology & Criminal Justice (Former IFS President)  
Southern Oregon University

Welcome to Southern Oregon University! It's ironic that we are sitting in a facility named after President Elmo Stevenson, who was hired to close Southern Oregon University (then Oregon State College) if he could not boost enrollments. After arriving at SOU he believed this to be a very special-unique place, and instead of moving forward with a closure he got out and spoke to all who would listen---by touring Oregon. His mission shifted to educating Oregonians about the exceptional SOU. It is not being purposed that SOU be closed; however, one cannot project what the final outcomes will be for this institution, along with other Oregon University Systems campuses, if we have to make the 30% budget cuts for 2009-2011 biennium. Will anyone recognize us in the aftermath of such devastation?

The fabric of education is once again being separated into Head Start, K-12, community colleges, and universities. If we are ever to reach the vision for 2025, of 40-

40-20, which translates into 40 percent of Oregon adults with a college degree or higher; 40 percent of Oregon adults with an Associate degree, professional certificate or equivalent; and the remaining 20 percent of Oregon adults with at least a high school diploma or equivalent how can we continue to fragment the educational continuum? If this is the dream, how do we make it a reality with our current economic crisis and budget constraints?

It takes years to build universities, but it does not take nearly as long to destroy them! Cuts have been noted in various shapes and forms to include, but not limited to: layoffs, furloughs days and salary recovery of 4.6%, elimination of programs, limited course offerings, increased class sizes - all of this is occurring as our students are being forced to pay more in tuition and fees!

Many are leaving the institution owing so much in student loans that upon departure from the university the monthly payment looks more like a mortgage ...only this is a 10 year loan that does not provide shelter on cold nights!

One cannot talk about SOU without noting the various partnerships and connections woven into our fabric with high schools, community colleges and access to those beyond our Region. In our high schools this year, 1987 students took advantage of earning college credit for classes completed at the high school---please note this does not include multiple courses taken by the same student. Our RCC/SOU Medford Higher Education Center reports record enrollments with multiple articulation agreements in place for seamless transition for both SOU and RCC students. There are many other articulation agreements in place across the state and beyond and one only needs to visit our transfer page online at SOU for a course-by-course equivalence transfer breakdown by institution. Distance Education continues to grow with several online degree completion programs and course offerings that serve other institutions such as Eastern Oregon Universities Bachelor's degree in Liberal Arts, through the minor in Criminology & Criminal Justice...all available without ever stepping onto this campus! As we continue to serve more creatively, using the resources provided from the state and other funding sources, and even with the expanded partnerships we still face the fact that we cannot continue to do what we are doing with the projected funding cuts.

How frustrating it can be as an advisor to hear students talk about choosing to work an extra shift over attending a class, studying for an exam, or working on a homework assignments. "I just need the money!" As we move into an era of sustainability, we are urged to remember that sustainability for Oregon Higher Education needs the same attention as Pre-K - 12. Without all the pieces leading to the whole what are we preparing students for? Is sustainability going to be the pursuit of a mirage? Let's not enter into a period as we did following the recession of the late 1980s and early 90s . According to Jennifer Wheary, a senior fellow at Demos, a public policy organization in Manhattan, "Struggling to pay for school is nothing new. College costs have risen more than 400 percent since the 1980s, and the stats about skyrocketing tuition and fees are cited so often that we barely take notice anymore. So what if the average student graduated with more than \$20,000 in loans in 2008? So what if the amount of unregulated private student loans families have taken on has more than tripled in five years, and nearly one in 10 college students now has loans with interest rates that can hover near 20 percent?" So what!?

With the promise of the new high school diploma bridging the gap after graduation, articulation agreements in place from community colleges to the universities, and the 40-40-20 goal, we must remain focused on the fact that a highly educated populace is essential to the future of Oregon. We are working hard to do all we can to enable more Oregonians to obtain a quality higher education. The Oregon University System is truly a System, and as described above has created numerous partnerships and opportunities across the educational continuum -- the universities, community colleges and K-12. We know these are difficult economic times and there are many calls and pleas to you --with very limited resources available. Still, Higher Education is one of the investments with a positive outcome- where the monetary return to the State, over the long run, far exceeds the monetary input today.

In the words of Robert F. Kennedy, "Our choice is not whether change will come, but whether we can guide that change in the service of our ideals and toward a social order shaped to the needs of all our people."

Lee Ayers

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IFS President Gilkey offered written testimony to the Ways and Means Committee at a hearing in Eugene on Friday 1 May 2009 concerning Higher Education in Oregon:

My name is Peter Gilkey. I am a Professor of Mathematics and the Vice President of the Senate at the University of Oregon. However, I am speaking to you today as a private citizen. Let me begin extending to you by my sincere gratitude for the heroic efforts you all are making to deal with an impossible budget shortfall that is beyond comprehension. There are no good choices. I and all of the citizens of the state owe you all our collective thanks.

Public Higher Education is a public not a private good. It is one of the few "positive sum games" where the long term benefits to our state far exceed the initial input cost. Higher Education will deal with serious challenges in providing access to a high quality education for Oregonians over the next years as, like all agencies, we will have some very serious budgetary cuts. My theme is that centralized detailed micro management directives from Salem can often be less efficient in accomplishing the desired outcomes than decentralized responses at the local level that are, of course, informed by input from Salem. Please target neither specific areas (administration, student services, academic support etc) nor specific programs (statewide services, outreach programs, public services etc) for budget cuts. Instead, give the State Board of Higher Education and Chancellor George Pernsteiner broad policy directives. They can transmit more detailed instructions to the Presidents of each of our Universities. And our Presidents as officers of OUS and in appropriate consultation with faculty governance organs on our individual campuses can then decide the best way to deal with the financial crisis.

Thank you for your attention. And again most importantly -- thank you for your heroic efforts.

Peter B Gilkey

