



Faculty Senate Office

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May 12, 2008

Office of the Governor
State Capitol, Room 160
900 Court Street NE
Salem OR 97301-4047

Dear Governor Kulongoski:

As presidents of our respective organizations at Oregon State University – the Faculty Senate, SEIU Local 083, and the Associated Students – we are joining together to urge you to seek the release of the entire \$125 million state salary pool during the June 25-26 meeting of the Joint Legislative Emergency Board. We have enclosed a resolution regarding this issue that was adopted without a dissenting vote by the OSU Faculty Senate on May 8th.

As you know, in 2007 the Legislature appropriated funds to the State Salary Pool to enable state agencies to cover salary increases over the 2007-09 biennium. We appreciate the role you have since played in seeking equitable pay increases for classified staff. At OSU, the administration has followed your lead with a modest 4 percent increase this year for faculty. We are hopeful that an additional increase for faculty can be accomplished next year as well. Without the salary pool, however, every increase in the salaries for our teaching faculty next year will require a dollar for dollar reduction in programmatic costs.

Legislative budget leaders decided in February to delay releasing the salary pool until after the June 2008 revenue forecast is available. You do not need to wait until the June forecast to know how withholding these funds will reverse the work you have accomplished, especially during the last legislative session.

Please take the necessary steps to release the entire \$125 million package in June, regardless of the forecast. As you know, salaries will not be affected by a decision to withhold these funds. Rather, agencies will have to cut programs. At OSU we stand to lose nearly \$12 million in state general funds. Experience from 2002 and 2003 indicates that when the legislature forces cuts in the middle of the biennium, we are laid off, our contracts are not renewed, classes are closed, and our tuition is raised.

We have come to rely on you as Oregon's champion for higher education. With help from the Legislature during the 2007 session you significantly increased funding. And we know the investments are working. Enrollments this fall are projected to increase. Applications from resident undergraduate students are up 15% across OUS. Oregon is providing opportunities for students who previously could only dream of attending college.

Withholding funds now would immediately stop the progress. We understand that no one wants another special legislative session devoted to cutting budgets. Releasing the salary funds in June actually gives you and the Legislature time to address the problem of revenue declines rationally and equitably. If the September forecast shows an increase, there may be no need for a special session. And if the forecast shows a continued decline, then a special session would have been inevitable. Enacting budget reductions in a special session brings all of the players to the table, and it enables the legislature to use funds that have been set aside to address revenue shortfalls.

Withholding the salary pool in June will merely focus the cuts on university students. We will experience a four to five percent budget reduction even though state revenues have fallen by just over one percent. We are only asking for equal footing and equitable treatment.

You have also been Oregon's champion in seeking to support an education continuum. We applaud your efforts to both help children before they enter kindergarten and to eliminate the barriers that prevent students from progressing seamlessly through to graduate school if they complete the work and demonstrate the desire. Failing to release the salary funds will sever the continuum.

Please consider those for whom you have worked so hard. We will join you in working as hard as we can to convince the legislature this is the right thing to do, but we can only take these steps if you seek to put the issue on the Emergency Board's June agenda. And further down the road if more work is needed to meet additional revenue challenges, we will join you then too.

Thank you for your consideration of this important matter.

Sincerely,


Lynda Ciuffetti
Faculty Senate President
Oregon State University


Maggie Neel
President
SEIU Local 083
Oregon State University


Ryan Mann
ASOSU President-elect
Oregon State University

Enclosure

cc: Senate President Peter Courtney
Speaker of the House Jeff Merkley
State Senator Ted Ferrioli
State Representative Bruce Hanna
State Senator Kurt Schrader
State Representative Mary Nolan
State Senator Frank Morse
State Representative Sara Gelser

Resolution

Whereas, The 2007 Legislature established a State Salary Pool to enable state agencies to cover salary increases over the 2007-09 biennium; and

Whereas, legislative budget leaders decided in February to delay releasing the salary pool until after the June 2008 revenue forecast is available; and

Whereas not releasing the funds in June will reverse progress to increase funding for Oregon's public universities accomplished by the governor and legislature during the last legislative session; and

Whereas, OSU stands to lose nearly \$12 million in state general funds if the funds are not released; and

Whereas OSU will be forced to begin making cuts in July 2008 in order meet these budget reductions; and

Whereas the last time the legislature imposed a budget reduction in the middle of the biennium, OSU was forced to eliminate classes and raise tuition; therefore be it

Resolved, That the Oregon State University Faculty Senate urges Governor Kulongoski and the Oregon Legislative Assembly to take the necessary steps to release the entire \$125 million State Salary Pool, regardless of the June 2008 revenue forecast, when the Legislative Emergency Board meets in June, 2008.

Adopted without dissent May 8, 2008 by the Oregon State University Faculty Senate