

### **Why does the University feel mediation is necessary?**

Unfortunately, we have yet to reach a consensus for a new agreement. The initial proposals from both parties were typical of the negotiations process, and our hope was that both parties would move toward a compromise. After 10 months of discussion and agreement on certain non-economic issues, unfortunately, we have not made satisfactory progress or an agreement on substantive provisions. Therefore, the University has requested a mediator in an effort to make the negotiation sessions more productive. In the spirit of cooperation, the University requested that UPI WIU Chapter 4100 join us in asking for mediation; however, UPI has declined the joint request.

Mediation has many benefits, not the least of which is to bring a neutral third party to the process. The process also allows the parties to pursue, through off-the-record discussions, alternatives to solve ongoing contract disputes. We must move forward with facilitation of the negotiation process in an effort to achieve the changes needed for future growth.

### **Why has an agreement not yet been reached?**

While both parties have agreed on some non-economic related terms within the proposals, we have not yet come to an agreement on several economic-related terms within the proposals.

See proposals table at [wiu.edu/provost/negotiationsupdate.php](http://wiu.edu/provost/negotiationsupdate.php).

### **Why is the administration still seeking to reduce costs after an appropriations budget was approved?**

While the University has received a budget from the state, it is 90 percent of the FY15 state appropriation (\$46.3 million compared to \$51.4 million in FY15).

In addition, the University did not receive an appropriation from the state for two years, and the institution's funds in reserve were depleted. The disbursement of funds for this fiscal year, while greatly appreciated, has forced the University to plan for operations in which future appropriations are not certain.

Coupled with the reduction in funding, and the lack of appropriated funding over those two years, tuition revenues were predicted to decrease by approximately 10 percent as a result of declining enrollment. It is also likely payments from the state will be delayed in light of the backlog of pending bills.

It is going to take a great deal of effort and time to overcome the negative effects of the budget impasse. Looking ahead to next year, there is no guarantee a budget delay will not occur once again. Even if there is an assumption of a timely budget and receipt of funds, history has taught us that future state and tuition revenue are not guaranteed. As such, the University must focus on reducing costs, implementing structural changes, and generating additional revenue to position WIU for the future. The University must continue fiscally responsible practices to ensure Western's viability. Taking this into account, the University must adjust expenditures to meet revenues.

### **What are the reductions the University is proposing?**

While the table at [wiu.edu/provost/negotiationsupdate.php](http://wiu.edu/provost/negotiationsupdate.php) fully outlines the University's proposals, an example can be provided using the University's proposal for a change in the structure of Professional Achievement Awards (PAAs). Faculty and Academic Support Professionals (ASPs) currently earn points toward a Professional Achievement Award for work above and beyond instructional duties. For example, serving on a department committee or serving as an adviser to a student group may be worth x-number of points. Upon accumulation of a set number of points, a monetary award of \$1,530 (Unit A) and \$900 (Unit B) is added to the faculty member's base salary. Under the current system, UPI members are eligible to earn these awards each year and have these monetary PAA amounts added to their base salary in a cumulative fashion that, in turn, significantly increases their pensions.

Under the current contract, \$1 million is currently allocated each year for faculty salary increases beyond base increases for these performance awards, promotions, and longevity incentives (minima). This \$1 million annual increase in faculty and ASP salaries has been a practice for many years as part of the current contract.

The University is proposing to move to a more sustainable and viable merit-based PAA system for employees beginning after 10 years of service. In the proposed PAA system, UPI members would be eligible to earn a PAA each time they complete a four-year appraisal cycle (e.g., PAA once every four years), and the PAA would be a one-time payment, rather than being added to the base salary. The proposed PAA system is very similar to the system that was in place for faculty members prior to the current employment contract.

### **Does the University's proposal(s) change the institution's practice of keeping salaries and additional benefits in line with the University's peer institutions as the UPI contends?**

Professors and associate professors at WIU are 101-102 percent of the national average in terms of salaries, as well as in the state (minus the University of Illinois system). Even if a three percent salary reduction is factored in, professors and associate professors at WIU will be within 99-100 percent of the national and state average, and the institution's wages will still remain quite competitive. The fact that we are close to or above the national average is actually rather phenomenal given the recent fiscal crisis facing public higher education.

### **How does the administration intend to use any cost savings that may occur?**

The University recognizes that providing our students with a quality experience takes all constituency groups. Reducing costs and generating additional revenue will not only maintain University operations, but positions the University for a sustainable and viable future in which the focus can remain on providing students with a quality experience that encompasses educational and personal growth.

It is important to note that despite having a budget in place, there is still a budget shortfall, and the University is making up that "gap" that resulted from a lack of a budget and a decreased budget.

**How does the administration respond to claims that the reductions and other actions by administration will negatively affect students?**

In the last two years, all of the cost-saving measures implemented have reduced overall expenses, either temporarily or permanently, by over \$11 million, while still protecting the academic core and mission of the University.

As always, students are the University's number one priority. WIU employees are here for the students, and we will continue to provide the services they need. One of the proposals from the UPI is for a reduced workload, but at a greater level of pay. We are asking for their workload to remain status quo (as is).

If the University would agree to UPI's proposal for a reduced workload, the University would be required to hire approximately 50 new faculty members at an annual cost of at least \$3 million to cover those classes no longer taught by current faculty.

Furthermore, to meet the needs of our students and demands of the region, new academic programs are beginning this fall, and there are plans in place to invest in high demand programs.

The student experience has not been, and will not be, negatively impacted. WIU has a dedicated faculty and staff who work very hard to ensure that Western is providing quality academic programs and experiences for students.

**What about the assertions that the University's proposals will impact recruitment of students and employees?**

Recruitment of employees and students is an important University function that continues to innovate and evolve to meet the expectations of prospective students and employees through increased outreach. Despite the challenges that WIU faced for nearly three years and the fact that Illinois has lost more residents than any other state in 2016, we continue to balance the needs of our students and employees and the need to maintain a viable and operationally sound institution.

The University believes that its proposal will actually assist with student recruitment and retention as tuition and other costs will remain affordable. As we keep costs down and enrollment continues to improve, this can actually have a positive effect on our revenues, and therefore, our employees.

**Are members of the administration and other staff members taking pay cuts and/or furlough days? Are there any other cost-saving measures that have been put in place?**

January-March 2016: President/VPs/Deans/Select Administrators voluntary pay cut (approximate 8% salary reduction)

March 2016: Furlough program implemented (4/1-6/30/16) (approximate range of 3-18% salary reduction depending on annual salary for each non-negotiated admin/non-academic personnel - 502 total)

July 2016: Furlough program #2 implemented (7/1/16-6/30/2017) (approximate 2.3-3.1% salary reduction for each non-negotiated admin/non-academic personnel - 255 total)

July 2017: Furlough program #3 implemented (7/1/17-6/30/18) (approximate 2.3-3.1% salary reduction for each non-negotiated admin/non-academic personnel - 199 total)

In addition, a retirement incentive was offered in December 2015 to all faculty and staff (51 administrators/staff and 8 faculty took this incentive). This reduced payroll costs for FY16/FY17.

Other administrative and staff positions have remained open and/or merged. Select contracts have also been reduced from 12 to 11 months (chairs, assistant deans, for example), with those employees taking an approximate 8.3% reduction in pay.

Support staff and facilities personnel continue to take on more responsibilities; operating budgets have been reduced; and some administrative departments have been combined to achieve streamlined operations and efficiencies.

**Is the administration planning on making salary or staff cuts to non-bargaining unit employees?**

The University continues to evaluate all options. No final decisions have been made regarding other constituency groups.