

IV. REPORT OF THE CHAIR OF THE BOARD OF REGENTS

Regents Resolution Regarding Executive Order 29

Attachments: Board of Regents Resolution Regarding Faculty Salaries

Executive Order No. 29 of the President, March 31, 2009, *Partial
Suspension of Executive Order No. 64*

**University of Washington
Board of Regents
Resolution Regarding Faculty Salaries**

WHEREAS, the President and Faculty Senate worked together in 1999 and 2000 to create a Faculty Salary Policy which states, among other things, that Faculty members deemed in any year to be meritorious are to receive a two-percent pay increase in the following year; and

WHEREAS, the Board of Regents and the President remain committed to the achievement of fully competitive compensation for our faculty, but must contend with the current unprecedented condition of financial adversity; and

WHEREAS, in light of the effects of the global financial crisis and decreasing State support for the University, the President, after extensive review and consultation with the Faculty Senate in accordance with the Faculty Code, concluded he was compelled by fiscal necessity to issue, and has issued, a new Executive Order suspending the award of merit pay increases through the 2009-11 biennium.

NOW, THEREFORE, BE IT RESOLVED:

The Board of Regents:

1. Endorses the President's new Executive Order as a financial necessity and approves the suspension of merit pay increases through the 2009-11 biennium, which will prevail over any University policies, rules, or codes or regulations to the extent they may be inconsistent.
2. Directs that, through the period of such suspension, a copy of this resolution be inserted in the University Handbook at an appropriate location adjacent to the Faculty Salary Policy.
3. Requests that the President, with the Faculty Senate leadership, monitor the effects of this suspension and our current economic circumstance on competitive faculty compensation.
4. Requests the President to propose at the earliest possible opportunity the restoration of such faculty merit pay increases as may be feasible.

Executive Order No. 29 of the President, March 31, 2009.

Partial Suspension of Executive Order No. 64

Purpose. The purpose of this Executive Order is to address the immediate financial circumstances facing the University by temporarily controlling faculty salary levels while reaffirming the University's commitment to ensuring the quality of the University through a competitively compensated faculty dedicated to academic excellence.

Need for Temporary Reevaluation of Faculty Salary Policy. Executive Order No. 64 recognized that in the event of decreased State support, a reevaluation of the Faculty Salary Policy could prove necessary. Unfortunately, we face that contingency to a degree that could not have been predicted even a year ago. The nation and the state of Washington are experiencing the effects of a global financial crisis of historic proportions. One consequence of this financial crisis is a drastic reduction in the State budget, which is virtually certain to result in significant reductions in State support for the University. The expected reductions in State support, combined with other economic forces, will result in cuts to programs, increased tuition, and reduced access for students, lay-offs and non-renewal of personnel, as well as limitations on the University's ability to increase salaries for broad classes of its employees. The cost of maintaining regular merit increases for the 2009–11 biennium would be even more damaging in the midst of broad and dramatic budget cuts across the institution.

Partial Suspension of Executive Order No. 64. In light of the economic circumstances facing the University, the following portions of Executive Order No. 64 must be and are immediately suspended:

1. The phrase "regular merit" in the first sentence of the subsection entitled *Allocation Categories*.
2. The sentence that reads, "A faculty member who is deemed to be meritorious in performance shall be awarded a regular 2% merit salary increase at the beginning of the following academic year."
3. The sentence that reads, "If deemed meritorious in the next year's review, the faculty member shall receive a regular 2% merit increase at the beginning of the following academic year."
4. The phrase, "In addition to regular merit salary allocations," in the sentence in the subsection entitled *Promotion*.

All other portions of Executive Order No. 64 remain in effect. This suspension shall expire at the conclusion of the 2009–11 biennium.

Reaffirmation of Principles and Commitment. Although the suspension of merit salary increases is a temporary imperative, it remains equally evident that regular merit increases, promotions, hiring, retention, and competitive compensation of faculty are critical to the long-term success of the University. University leadership remains steadfastly committed to the fundamental elements of Executive Order No. 64, and its principles and priorities are reaffirmed. As evidence of this commitment, the following steps, subject to State law or formal changes to University policy, will be taken to respect the principles of the salary policy in Sections 24-70 and 24-71 of the *Faculty Code* and the portions of Executive Order No. 64 that have not been suspended:

5. Regular merit increases will resume first priority for allocation of salary funds after this suspension expires;
6. Promotion increases will continue during the 2009–11 biennium;
7. If a dean or chancellor, following procedures consistent with Section 24-71 B.3 of the *Faculty Code*, determines that offering a retention salary increase is required, the dean or chancellor will be allowed to allocate to this purpose some of the funds remaining to it after undertaking budget cuts negotiated with the Provost;
8. No pool of funds will be set aside centrally by the Provost or President for the purpose of retention in academic units;
9. Faculty positions will only be filled to the extent necessary to fulfill the University's mission and vision;
10. During the 2009–11 biennium, the Provost will provide the Senate Committee on Planning and Budgeting quarterly reports to review the status of faculty recruitment and retention across the institution.