

February 4, 2009

President Gary Forsee
University of Missouri

Dear President Forsee,

Thank you for sharing with the faculty your proposal for employees to begin contributing to our retirement plan, starting at 1 percent deductions for salary up to \$50,000, and 2 percent deductions for salary over \$50,000. We realize that these are difficult times and most any proposal will meet with some opposition. The AAUP feels the need, however, to voice our concern about the strong adverse reaction that many faculty and staff are having to this particular proposal.

The MU chapter of the AAUP has received numerous messages of concern and anger from faculty about this proposal. We write to communicate those reservations as well as our concern that the implementation of the proposed policy could result in strained relationships among the faculty and administration, which would be counterproductive to the University.

Most faculty concerns can be summed up with the following four points:

1. The process through which this decision is being implemented does not involve shared governance with faculty. Inviting the faculty-at-large to contribute ideas about how the university should save money is not the same as consulting faculty prior to making a decision to implement a proposal of such immense impact on faculty and staff and that radically changes MU policy. Notably, the town hall meetings are scheduled for *after* a decision has been made by the Curators to support or reject this proposal. We do not dispute that the administration makes the final decision about policy changes; however, decisions that impact the faculty should be tempered through discussion with them, especially given the impact of policy changes on faculty and staff morale. Also, decisions impacting the ability to recruit the best-qualified people to teach Missouri citizens and do research that contributes to the economy and enriches our culture should be discussed with faculty members in advance.

2. The University is already far below the national median in terms of faculty salary, and forty-seventh in the nation in terms of state funding. In a recent, very commendable letter you wrote to the Department of Higher Education you stated that "State support for higher education operations over the past eight years, FY 2001 to FY 2009, has been stagnant in nominal terms and declining in real terms. Substantial withholding has occurred, in addition to cuts in the appropriations base. The quality of educational offerings has been sustained by underpaying faculty, deferring maintenance, increasing

tuition, and increasing enrollment...” Is true of the other institutions as well? Are they also forty-seventh in overall state funding to higher education?

Faculty and staff salary reductions, even if diverted to compensation plans, are not advisable during an economic recession. The proposed reduction constitutes a “backdoor salary cut,” even though it was stated at the general faculty meeting in the fall that salary cuts were not part of the scenarios envisioned by the administration to address revenue shortages. Governor Nixon also recently expressed his continued full support for the University’s budget, making further salary cuts seems unnecessary. Yet, you have described the current budget as an “opportunity to evaluate the way we cost-effectively carry out our mission.” Faculty members do not see this as an “opportunity” when it is cutting into already below-average salaries.

There is further concern that the proposed reductions hurt those with the least income the most. Even a 1 percent decrease for staff or adjunct professors making under \$50,000 a year is too much when that salary is needed to support families and pay off student loans, which constitute a much greater burden today than in past decades. Why end the 2 percent increase at salaries of \$100,000? Why not a 3 percent deduction from \$100, 000 to \$150, 000 and a 4 percent deduction from \$150,000 to \$200, 000? A 4 percent deduction for someone making over \$150, 000 is not a greater sacrifice than a 1 percent deduction from someone making \$50, 000 year or less.

3. Altering the benefits package makes MU less competitive. If asked, many faculty members would prefer taking an overt salary reduction that would be rescinded in better economic times to losing a benefit that is better at MU than at other educational institutions. MU’s benefits package is one reason why some faculty stay at MU even with its poor salaries, and this policy change will make the University less competitive. Also, some faculty are concerned that those who retire now will have paid nothing while most of the faculty will pay a lot to compensate not only retiring faculty benefits, but also the benefits of much more highly paid administrators.

4. Transferring the authority from the board to the MU President to institute furloughs undermines the checks and balances that have been built into the system for a reason. One person, regardless of how wise or just, should never have too much power over the lives and careers of others. Are you suggesting that the process of administering furloughs for faculty or staff might happen so quickly that the oversight of the Curators has to be superseded? A justification for the need to transfer power from the Curators to one person has not been made to the satisfaction of faculty and staff.

Again, we recognize that addressing university-wide policy decisions in uncertain economic times is extraordinarily difficult. We would not want your job. Given our professional obligations, however, it is necessary to bring the above stated concerns to your attention. For all of these reasons, the AAUP strongly opposes both the plan to make faculty pay for a portion their University benefits plan, and the proposal to grant the power to furlough solely to the President. The AAUP recommends a delay in seeking Curator approval of this policy to allow more time for faculty consultation. If, for

reasons the faculty is not aware, it is necessary to proceed with seeking Curator approval for this policy immediately, please consider proposing more progressive salary reductions and a cap on the amount of reductions faculty will be subjected to, with the promise of an end date when the economy improves. This may help to diffuse some of the tension that the faculty is currently experiencing.

Thank you for your consideration of this letter.

Sincerely,

Executive Committee of the
MU Chapter of the AAUP