

Date: 25 May 2010
From: Bruce Balick, Chair, Faculty Senate
To: All Voting Members of the Faculty Senate
Re: Proposed Revisions to Executive Order 64 on Salary Policy Implementation

Faculty Salary Policy came under unexpected stress last year as expectations of salary progression was undermined by fiscal realities. For the past five months a Salary Working Group of seven past and present leaders of the Senate and four representatives of the Administration¹ met almost weekly to find ways to provide additional flexibility in the implementation of Faculty Salary Policy (FSP) that is anchored in Executive Order 64² (EO64) from 1999.

Based on those conversations, and following procedures specified in the Faculty Code, the President proposed a set of revisions to EO64 on May 25 and sent them to the Senate for comment and feedback. This proposal for modifications (that I'll call EO64R) and the President's cover letter that explains the rationale and timing of his proposed changes are attached. The President intends to issue the final EO by June 10 when the regents next meet. Our response is expected no later than Monday June 7.

Action item: Please provide your comments and concerns to your senators. They have been asked to submit this information to us no later than Thursday, June 3.

Background: As you are aware, the principles of Faculty Salary Policy (FSP) are embodied in the Faculty Code, section 24.70-71.³ The implementation of FSP is controlled by Executive Order 64⁴ (EO64). President Emmert feels that he must act before July 1 to modify or suspend those provisions of EO64 that may result in future expensive and damaging lawsuits if merit-based raises for faculty below 2% are anticipated.

Executive orders are developed by the President after consultation with the faculty and others. The responsibility for the content, wording, and timing of EO64R is ultimately that of the President who has the discretion and the authority to act in the best interests of the University.⁵ During the five months of discussions the Senate leaders provided advice that was seriously considered and, in many cases, adopted. During these discussions everyone agreed that the principles of FSP in the Code 24.70-71 represent a compact that should not be changed, and that any needed change in salary policy should be enacted by a revised EO.

The highlights of the changes proposed for EO64 appear at the end of this note. EO64R appears to be fully consistent with the Faculty Code. Now that we have received it, the role of the Senate changes from advising the President to curating the responses of the elected Senators after they consult with their constituents (Code 12-21.B.1). The leadership's response to the President will represent the range of sentiments of the entire Senate.

Comments from the Chair of the Senate

The faculty representatives provided their best advice and participated fully in all discussions of the Salary Working Group. In the end we gave our concurrence to a proposal plan that works, that preserves the aims of salary progression, and that upholds the values of salary policy in the Code with minimal changes to the original EO64. Flexibility has been added to EO64 that avoids the need for any fundamental and wholesale changes to FSP that could easily take a decade to complete. Our expert in labor law is comfortable that the wording has reduced UW's legal vulnerabilities. And the plan will be in

¹ The salary working group consisted of (Senate) Balick, Harrington, Killien, Lovell, Philipsen, L. Vaughn, M. Vaughan (Administration) Wise, Wadden, Niccolls, Cameron.

² <http://www.washington.edu/faculty/facsenate/handbook/02-02-24.html#anchor2457fn2> (Jan 2000)

³ <http://www.washington.edu/faculty/facsenate/handbook/02-02-24.html#anchor24-70> (July 1999)

⁴ <http://www.washington.edu/faculty/facsenate/handbook/02-02-24.html#anchor2457fn2> (Jan 2000)

⁵ <http://www.washington.edu/faculty/facsenate/handbook/02-01-12.html#anchor12-21>

place before changes in top-level management teams occur once, if not twice, in the next twelve months—on both sides.

None of this should be construed to mean that the Senate has adopted a position of approval of EO64R. We were certainly involved in its crafting -- much to its benefit. But our position will be defined by the sentiments of the faculty (as conveyed to us by your senator). We most certainly will propose changes to the final document, such as strengthening the enforcement of provisions for department-level approval of retentions and clearer description of those reasons why 2% raises might not be offered in any year.

The most fundamental proposed change from present policy is the newly defined process of consultation every year. This eliminates the primary reason behind last year's promulgation of EO29. The practice of EO's of this nature that simply nullify "inconvenient" policy sets a very dangerous precedent for the future administrations.

The revisions embedded in EO64R provide a broad margin of flexibility to the Administration. With that margin must come trust, openness, and a willingness to engage the Senate Committee on Planning and Budgeting early and often every year so that (1) the required discussions of merit raises are based in evidence and fact, (2) the results are fair to all sides, and (3) the tradition of sharing governance is sustained.

In brief, new features proposed within EO64R include:

1. Consultation of salaries will occur annually—in good times as well as lean. Consultation will include the criteria for the amount of an alternative increase, and a basis for an alternative proposal will be provided along with an opportunity for a timely response by the Senate Committee on Planning and Budgeting. A full explanation of the reasons will be provided when a general merit increase less than 2% is proposed.
2. This salary allocation procedure is designed to be feasible between the release of the state budget (early April) and first consideration of the proposed budget by the regents (mid May). (With regental approval, the result will apply to faculty salaries starting the next September.)

Not changing:

1. EO64R retains general merit increases as a first priority and makes no changes to the order of other funding priorities established a decade ago.
2. There is no change in retention spending policy. There is no distinction between centrally and locally awarded retentions (as there was in the temporary order EO29).
3. All retention raises continue to require departmental consideration and approval. This is the basic mechanism that prevents a return to the days of unfettered retention raises for a few at the expense of many meritorious and productive faculty.
4. The authority of the regents in approving every aspect of our annual budget is not changed. However, references to their long-standing authority have been added in several locations for clarity.

Policy wonks will want to see an attached file that facilitates a comparison of the old and proposed versions of EO64. Unchanged (changed) text is shown in black (blue). Underlined text shows new language proposed for insertion. Strikethroughs show parts of EO64 to be deleted.