

Faculty Senate Proposal on COVID-19 Budget Reduction

04/21/2020

Motion 1: University-wide furloughs and/or salary reductions should be implemented as the primary means of balancing the budget, instead of reductions in tenure-track faculty, non-tenure-track faculty, adjunct faculty and graduate assistants. Any university-wide furloughs and/or salary reductions implemented for FY21 shall be contingent on employee salary. In order to maintain employment and the health and stability of the academic mission of the university, we recommend a policy of *progressive* furloughs and/or salary reductions for all UMKC employees. We recommend a plan that requires temporary furloughs and/or salary reductions of increasing duration for salary bands, as proposed by the model from the University of Arizona.

Motion 2: The plan for furloughs and/or salary reductions recommended in **Motion 1** should be for Fiscal Year 2021 only. These furloughs should not be repeated, and this guidance should not be taken as a mandate for future furloughs.

Motion 3: Any long-term restructuring of the university necessitated by the COVID-19 pandemic should be done through a deliberative, collaborative process, involving participation by all campus constituencies.

RATIONALE:

The current COVID-19 pandemic is having severe financial and operational impacts on the University of Missouri Kansas City (UMKC) and the University of Missouri System. This will necessitate painful budget reductions. As the primary representative body of UMKC faculty, it is incumbent on the Faculty Senate to offer guidance on how these cuts should be realized.

Recent email communication from Chancellor Agrawal (4/20/20) notes the following measures are being considered to achieve the necessary budget reductions:

- Furloughs, leaves without pay, and layoffs
- Reduction of adjunct instructors and non-tenure-track faculty
- Increased faculty teaching loads; the university will modify the promotion and tenure process in light of temporary workload increases
- A freeze on new graduate student stipend offers from operational funds, while honoring those that have already been offered to returning and incoming graduate students

- Significant reductions in non-compensation expenses, including food, business meeting expenses, and a continued university-wide freeze on travel using operational funds until further notice.

Universities across the United States have chosen temporary employee furloughs {a furlough is unpaid time away from work} as a primary means to achieve required reductions in expenditures, while preserving campus employment. Temporary furloughs can be required of all university employees, or limited to specific occupational groups. They may require a flat reduction in salary and working hours, or they can be progressive, requiring larger reductions for those with higher incomes. U.S. universities are presently implementing all of these different options.

Broad-based furloughs allow the pain of budget reductions to be shared by campus employees, rather than having these reductions target specific occupations or employment classifications. But the primary advantage of temporary furloughs as a cost-saving tool is that they maintain employment. UMKC employees are presently making extraordinary efforts to keep the university operating, including using their own resources to ensure continuity of university operations. We believe the university should recognize and reward the efforts of employees by prioritizing employment retention, including retention of low-paid, contingent faculty and graduate employees.

The current circumstances resulting from the COVID-19 pandemic have not occurred in the U.S. in living memory, and it is only these highly-unusual circumstances that lead us to recommend a plan of broad-based, progressive furloughs. The University of Arizona has adopted a plan that requires temporary furloughs of increasing duration for salary bands up to incomes of \$150,000 per year, and temporary pay reductions for employees earning over \$150,000, with the objective of maintaining employment.¹ This should serve as a model UMKC and/or the complete UM System.

¹ Detail of this plan are available at <https://hr.arizona.edu/FY-2020-2021-Furlough-Program> (accessed 4/20/20). The employment-preserving goal of this plan is described by University of Arizona President Robert C. Robbins in Kelderman, Eric. 2020. "Major Cost-Cutting Begins in Response to Covid-19, With Faculty and Staff Furloughs and Pay Cuts", *The Chronicle of Higher Education*. April 18, 2020. Available at: <https://www.chronicle.com/article/Major-Cost-Cutting-Begins-in/248558>