

From: WIU Contract Administrator Russ Morgan
Subject: Restoring Financial Stability

Due to ongoing rhetoric regarding the University's on-the-record proposal, the University would like to expand on information shared in last week's message.

The University's [current on-the-record proposal](#) does include an FY19 salary increase over FY18 levels for most UPI members (via the restoration of the 3 percent deferral). Any financial changes in the University's proposal will be used to offset the expected budget shortfall and will not be used to increase reserves. The limited funds that are available to the University are used for daily operations and expenditures. Contrary to ongoing rumors, there have not been across-the-board salary increases for non-negotiated personnel (administrative employees and most civil service employees) since FY15. Plain and simple, the University is not in a position financially that would permit the funding of wage increases at this time. See [chart](#) for recent budget figures.

As noted, the current proposal states if enrollment increases and additional state dollars are allocated, the University is open to engaging in conversations to address the compensation of our employees. UPI leadership has not countered the triggers for re-openers during the proposed five-year agreement.

A contract is "mutually beneficial" when it helps restore financial stability to our institution now and in the future. Growing the University's enrollment and retention, as well as upholding the institution's integrity and reputation, is the responsibility of every employee.

In FY15, the state allocation was \$51.4 million. In FY18, the allocation was \$46.3 million, or 10 percent less than FY15. To date, the University has not received all of its FY17 and FY18 appropriations (FY17: \$6.1 million outstanding; FY18: \$12.2 million outstanding). As we look ahead, we must plan for possible changes that impact the University's budget. These changes include the shifts from state-funded expenses, such as pension and health care, onto to the University. Unfunded mandates, coupled with decreased appropriated funding and demographic changes that reduce student-generated revenue, add another financial burden to public higher education.

Mediation is continuing, with the next session scheduled for Feb. 28. The University is committed to engaging in good faith negotiations.

For further updates, visit wiu.edu/provost/negotiationsupdate.php.