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Monitor Newsletter August 24, 1992

Bowling Green State University

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Employees may receive a pay raise in January

Faculty and staff hopefully can look forward to early 1993 for their first pay raise in two years following approval of a salary increase proposal by the Board of Trustees on Aug. 14.

The increase, which was proposed by President Olscamp and is contingent on there being no further state-ordered budget cuts, will be given in January 1993. The amount of the increase will be determined later.

"Because of the recession, declining state revenues and subsequent budget cuts, we have been unable to provide pay increases the past two years," Olscamp said. While acknowledging that the budget situation continues to be bleak, he said he was "determined" to recommend salary increases this year. The 1992-1993 budget has a reserve built into it which can be used to offset any future state budget reductions or for salaries. If there are no cuts or indication of cuts during the next four months, the trustees have agreed that a pay increase can be given in January.

According to the proposal, there may be funds available from the Educational Budget Reserve in the approved 1992-93 Educational Budget and the difference between the 15 percent subsidy cut which was planned for in that budget and the initial 10.5 percent cut which the University actually received on July 1.

"There still may be further reductions and things are very uncertain," Olscamp said. "That is why we haven't gone ahead to make salary increases at this time; it's too unstable. But we wanted to let people know there is a possibility. The money will either go back to the state for further reductions or it will be distributed for salaries."

Olscamp said he was "pleased" that the action had been taken because Bowling Green's faculty and staff are "very deserving of a pay increase." Over the past two years, BGSU employees have continued their outstanding performance during some of the most difficult times ever experienced by this University, he added.

Also at the meeting, the trustees approved a resolution for proposed uses of internal endowment funds. The University has been developing the fund for several years with the interest intended to be used to improve the quality of academic programs. The board members designated the interest income to be used to augment operating budgets of which use includes expenditures to improve instructional development and faculty scholarship; to

Current budget situation comprises long list of events

The following is a chronology of events detailing the budget situation during the past two years at Bowling Green State University:

- NOV. 6, 1990 — President Olscamp sends a statement to Faculty Senate, and the University community, temporarily freezing authorization of hiring for new and replacement non-faculty positions.
- NOV. 8, 1990 — Olscamp paints a cautious picture of the University's future in anticipation of the state's possible budget cuts during his annual visit to Administrative Staff Council. He anticipates a two to three percent reduction to the University's budget.
- FEB. 11, 1991 — Gov. George Voinovich orders a $1.9 million cut to the BGSU budget as part of a $44.8 million cut to the state higher education budget. The cut is the result of a three percent reduction in state instructional subsidies and a five percent reduction in noninstitutional subsidies. In addition, the governor's budget calls for a cap on tuition increases at the state's universities that would limit Bowling Green to an eight percent fee increase.
- FEB. 18, 1991 — To meet state reductions, the University anticipates a two percent cut in noninstitutional budgets.
- MARCH 25, 1991 — Under Voinovich's proposed state budget for the next biennium, Bowling Green faces a $3.6 million reduction from its 1990-91 instructional subsidy. Also, a seven percent cap has been set on student fee increases.
- APRIL 2, 1991 — Dr. Christopher Dalton, vice president for planning and budgeting, reports to Faculty Senate regarding budget expectations for the next two years. He indicates that the net instructional subsidy for the main campus is projected to be approximately $3.6 million (six percent) lower in 1991-92. Dalton says increases in spending will have to be kept to a minimum.
- APRIL 10, 1991 — Departmental meetings are called to plan proposed cuts for five to seven percent reductions.
- APRIL 22, 1991 — Olscamp assures Faculty Senate that the University is financially stable, but adds that the next two years are going to require tight budgeting and some "very serious reductions." He outlines three priorities: the preservation of essential academic programs; avoiding, except as a last resort, the termination of jobs; and the preservation of overall levels of compensation.
- APRIL 29, 1991 — Olscamp holds a campus-wide forum and tells employees that budget cuts are likely to be greater than in the best Hearst era of the University, that he hopes the freeze would continue. Administrators would hold back on expenditure of carryover monies and not commit any cash.
- MAY 10, 1991 — The Board of Trustees recommended to the General Assembly to at least maintain the original

Trustees extend Olscamp contract at May meeting

At its May meeting the Board of Trustees extended President Olscamp's contract for another two years.

He had decided some time ago to step down as president and retire from university administration in June 1994 but the board asked him to serve at least another two years.

"We thought retaining President Olscamp's services for another two years was crucial in maintaining the integrity of the University," John C. Mahaney, president of the Board of Trustees, said.

The trustees said a chief executive was needed who was experienced at running a university in times of budget constraints and reduced funding. Olscamp has served as the University's chief executive officer since 1984.

Olscamp has an excellent track record as an effective manager of the University's resources. We will be much better off with his experienced leadership during these difficult financial times that Bowling Green and the other

Continued on page 4

Continued on page 4
On June 26, 1992, the Board of Trustees approved the University's 1992-1993 educational budget that included spending reductions of $6.18 million. The following information is on where the cuts were made and how they affect each vice presidential area.

<table>
<thead>
<tr>
<th>Area</th>
<th>'91-'92 Budget</th>
<th>Personnel Reduction</th>
<th>Operating Reduction</th>
<th>Total Reduction</th>
<th>Percent Reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vice President for Affairs</td>
<td>$72,760,254</td>
<td>$2,665,158</td>
<td>$661,197</td>
<td>$3,246,355</td>
<td>4.46%</td>
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<td>Vice President for Planning</td>
<td>$7,413,023</td>
<td>$683,049</td>
<td>$161,516</td>
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<tr>
<td>Vice President for Operations</td>
<td>$6,829,274</td>
<td>$633,431</td>
<td>$278,255</td>
<td>$911,686</td>
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<tr>
<td>Vice President for Student Affairs</td>
<td>$2,455,107</td>
<td>$74,152</td>
<td>$80,380</td>
<td>$154,412</td>
<td>6.37%</td>
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<tr>
<td>President for University Relations</td>
<td>$2,270,167</td>
<td>$37,500</td>
<td>$184,164</td>
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<tr>
<td>President's Office</td>
<td>$754,284</td>
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<td>$67,819</td>
<td>$67,819</td>
<td>8.96%</td>
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<td>Benefits</td>
<td>$19,706,900</td>
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<tr>
<td>Miscellaneous</td>
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<td>$335,126</td>
<td>$335,126</td>
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<td>UNIVERSITY TOTAL</td>
<td>$131,798,968</td>
<td>$4,322,067</td>
<td>$1,659,137</td>
<td>$6,184,204</td>
<td>5.06%</td>
</tr>
</tbody>
</table>

How the budget reductions were determined

The total aggregate budget of $131.798 million for the 1992-1993 budget, approved by the Board of Trustees, followed the recommendations forwarded to President Douglass by the Faculty Senate and University Senate on December 6, 1992. The representative members of the Senate were concerned over a variety of areas—consequences of the state's anticipated budget deficit of more than $500 million for 1992-93—the committee deliberated for several months before making a final recommendation.

The 1992-93 educational budget assumed an expected subsidy reduction of 12 percent approximately $6.5 million. These reductions were in addition to the 3.5 percent, or $2.7 million, that would have resulted from the state-supported subsidy—consequences of the state's anticipated budget deficit of more than $500 million for 1992-93. The committee deliberated for several months before making a final recommendation.

The 1992-93 budgeted educational budget for BGSU was $129,938,340. The reductions were made in non-union personnel areas, which included faculty and staff, and in in-union personnel areas, which included administration and clerical.

Also, the budget committees and vice presidential areas made cuts that efforts must be made to promptly reduce the University's base personnel budget, which accounts for roughly 80 percent of expenses. During 1989-90, average enrollment and cost controls have been maintained on campus. This fall in enrollment will adversely affect the University's budget. To meet the need for budget cuts, the vice presidential areas are expected to reduce personnel costs in the following areas:

- Educational and General
- Student Services
- Administration
- Auxiliary Services
- Academic Affairs
- Student Affairs
- University Relations
- Planning and Budgeting

University reductions summary by VP area

Planning and Budgeting

Six layoffs (two clerk, two telephone operators)
Six vacant positions eliminated
Elimination of 24-hour-per-day week
Reduction in telephone operator service in summer on weekends
Elimination of registrar's telephone switchboard
Reduction in use of on-call employees in registration
Shift of computer services personnel expenses to telecommunications

Academic Affairs

Two layoffs (student services counselor, secretary)
One vacant position eliminated
Elimination of Office of Research and Evaluation
Career planning function transferred to other departments
Reduction in instructional salaries
Reduction in library acquisitions

Student Affairs

Seven layoffs (four clerks, one director, one coordinator)
One vacant position eliminated
Elimination of Office of Student Life and Evaluation
Career planning function transferred to other departments
Pre-college summer program for minority high school students will be scaled back

Student Services

Two layoffs (student services counselor, secretary)
One vacant position eliminated
Elimination of Office of Institutional Studies
Elimination of Office of Academic Options
Reduction in instructional salaries
Reduction in library acquisitions

Operations

Six layoffs (seven maintenance, two custodial, one forklift, one seasonal)
Two vacant positions eliminated
General elimination of select supervisory levels
Reduction in frequency and level of building maintenance
Elimination of food service positions
Reduction in instructional salaries

Reduction in physical plant services

Operations

Six layoffs (seven maintenance, two custodial, one forklift, one seasonal)
Two vacant positions eliminated
General elimination of select supervisory levels
Reduction in frequency and level of building maintenance
Elimination of food service positions
Reduction in instructional salaries

Reduction in physical plant services

President's Area

Reduction in entertainment, travel, Board of Trustees expenses, legal services, campus and public events and EEO advertising
Moore and McFIllein explain rules and process involved in unionization

All public employees have the right to unionize under the provisions of the Ohio Public Employee Relations Act. Any public employee who is a member of the collective bargaining group, or who is about to become a member of the group, has the right to file a petition for the formation of a unit. If the petition is signed by at least one-third of the employees in the unit, the unit is certified. The certification process is conducted by the Ohio Employment Relations Board (ERB).

Moore notes that employees are working in various divisions and departments. If the employees decide to unionize, they will be represented by the Ohio Public Employees Union. If the employees decide not to unionize, they will continue to work without representation.

The process begins when 30 percent of the employees in a unit file a petition for certification. The petition must be signed by at least one-third of the employees in the unit. If the petition is approved, the ERB will conduct an election to determine whether the employees want to be represented by the union.

If the petition is approved, the ERB will conduct a secret ballot election to determine whether the employees want to be represented by the union. If more than 50 percent of the employees in the unit vote in favor of representation, the union will be certified. If less than 50 percent of the employees vote in favor of representation, the union will not be certified.

If the union is certified, it will bargain with the administration over the terms and conditions of employment. The administration and the union will negotiate in good faith to reach an agreement. If they are unable to reach an agreement, the union may file a complaint with the ERB. The ERB will then conduct a hearing to determine whether the administration and the union have violated the Public Employees Relations Act.

If the administration is found to be in violation of the Act, it may be ordered to cease and desist from the violation. If the administration is found not to be in violation of the Act, the union may file a complaint with the ERB. The ERB will then conduct another hearing to determine whether the administration and the union have violated the Public Employees Relations Act.

If the union is not certified, the employees will continue to work without representation. They will not be able to negotiate with the administration over the terms and conditions of employment.