8-24-1992

Monitor Newsletter August 24, 1992

Bowling Green State University

Nonprofit Organization
U.S. Postage Paid
Permit No. 1
Bowling Green, Ohio

MONITOR

VOL. XVI, NO. 7 BOWLING GREEN STATE UNIVERSITY AUG. 24, 1992

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.

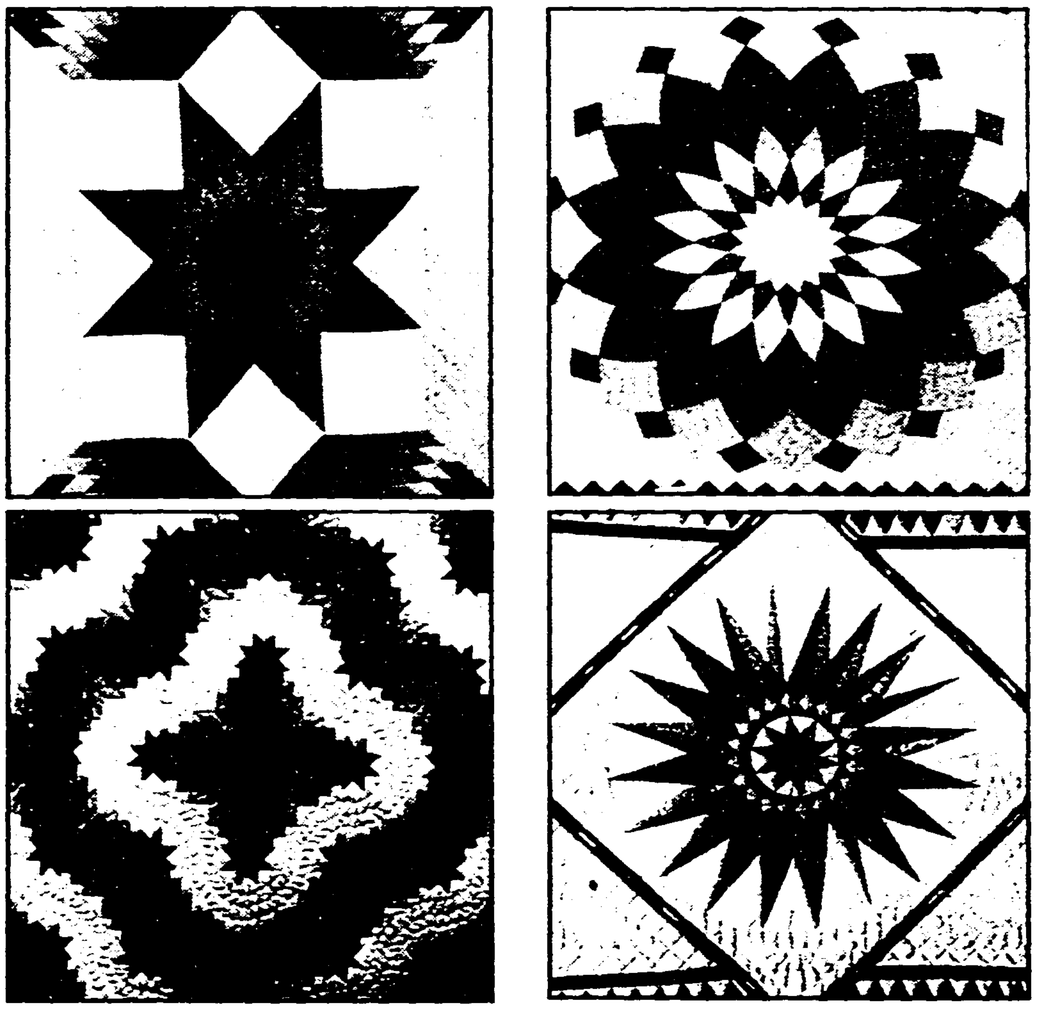
"There still may be further reductions and things are very uncertain," Olscamp said. "That is why we haven't gone ahead to make salary increases at this time; it's too unstable. But we wanted to let people know there is a possibility. The money will either go back to the state for further reductions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

Continued on page 4



Most people think of a quilt as something that keeps them warm in the winter. But they also can be works of art as seen by these details of quilts on display at the 23rd annual National Quilting Association show entitled "Ohio Stars" that took place on campus Aug. 11 through 16. More than 10,000 people attended the show which featured nearly 700 quilts representing 38 states plus Canada and New Zealand.

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 in the best interest 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 successfully guided both Western Washington University and Bowling Green through severe budget crunches. When he first came to campus in 1982 the University was faced with a budget crisis which Bowling Green emerged from in good shape, they said.

"President 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

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 noninstructional subsidies. In addition, the governor's budget calls for a cap on tuition increases at the state's universities that would limit Bowing Green to an eight percent fee increase.

FEB. 18, 1991 — To meet state reductions, the University anticipates a two percent cut in noninstructional budgets.

MARCH 25, 1991 — Under Voinovich's proposed state budget for the next biennium, Bowling Green faces a $4.38 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 expected. He said that the hiring freeze would continue. Administrators would hold back on expenditure of carryover monies and not commit any cash.

MAY 10, 1991 — The Board of Trustees resolves to urge the General Assembly to at least maintain the original

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 is information on where the cuts were made and how they affect each vice presidential area.

	'91-92 Budget	Personnel Reduction	Operating Reduction	Total Reductions	Percent Reduction
Vice President for Academic Affairs	$72,760,254	$2,685,158	$561,197	$3,246,355	4.46%
Vice President for Planning and Budgeting	$7,413,623	$453,848	$161,516	$615,364	8.30%
Vice President for Operations	$8,829,274	$663,431	$278,255	$941,686	10.67%
Vice President for Student Affairs	$2,425,107	$74,152	$80,260	$154,412	6.37%
Vice President for University Relations	$2,270,167	$37,500	$184,164	$221,664	9.76%
President's Office	$754,284	–	$67,619	$67,619	8.96%
Benefits	$19,706,960	$608,478	–	$608,478	3.09%
Miscellaneous	$7,639,317	–	$326,126	$326,126	4.27%
UNIVERSITY TOTAL	$121,798,986	$4,522,567	$1,659,137	$6,181,704	5.08%

How the budget reductions were determined

The total aggregate budget cut of $6.18 million from the 1992-1993 budget, approved by the Board of Trustees, followed the recommendations forwarded to President Olscamp by the Faculty Senate and University Budget committees. Faced with projections of declining subsidies—a consequence of the state's anticipated budget deficit of more than $500 million for 1992-93—the committees deliberated for several months before making a final recommendation.

The 1992-93 educational budget assumed an expected subsidy reduction of 15 percent (approximately $9 million from the projected 1992-93 subsidies) and mandated increases of $5.3 million, which included $2.3 million in expense increases matched by income, $1.3 million in other expenses (eg. health insurance) and a $1.6 million reserve as a cushion against further subsidy reductions or other income shortfalls or as a potential source for compensation increases. Also, the budget was based on a nine percent increase in student fees which will generate about $4.8 million in additional income.

The budget committees also determined how the $6.18 million in reductions were to be distributed among the vice presidential areas. It was left up to each area to determine the specific cuts needed to meet its reduction target.

Though no area within the University, other than admissions and financial aid, was exempt from budget cuts, the non-instructional areas took the brunt of the reductions.

Also, the budget committees and vice presidential areas made it clear that efforts must be made to permanently reduce the University's base personnel budget, which accounts for nearly 80 percent of expenditures.

During 1992-93, revenue enhancement and cost control will be top priorities on campus. This fall a thorough review of the collegiate and management structures of the University will be undertaken which will result in further change. It is a process that must be done if the University is going to maintain the strength and vitality of its core mission activities.

1992-93 Budget

1991-92 Budget	$121,798,986
Reductions	$6,181,704
Subtotal	$115,181,704
Mandated Increases	$5,321,058
1992-93 Budget	**$120,938,340**

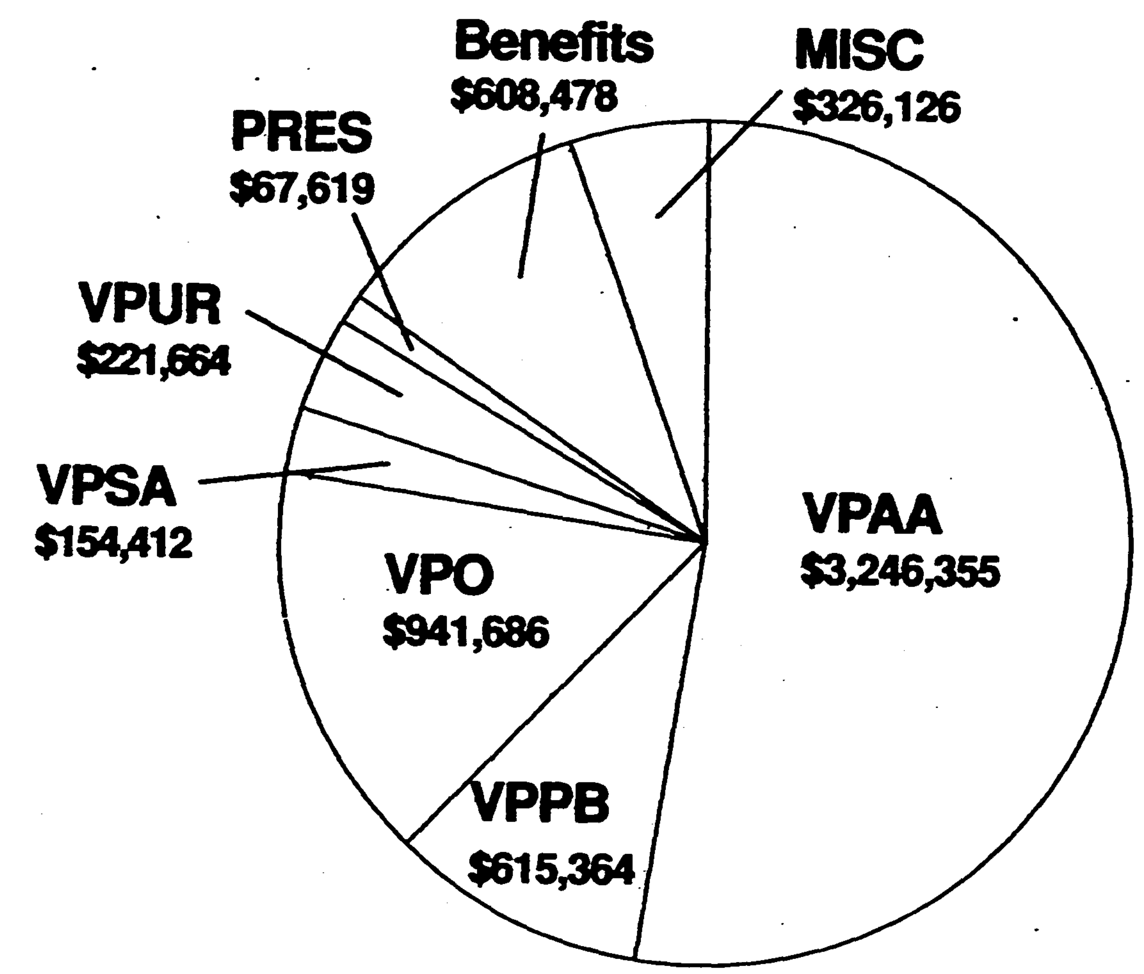
1992-93 Income

State subsidies	$51,881,464
Total student fees	$60,901,315
Other (Misc.) and carryover	$8,155,561
1992-93 Income	**$120,938,340**

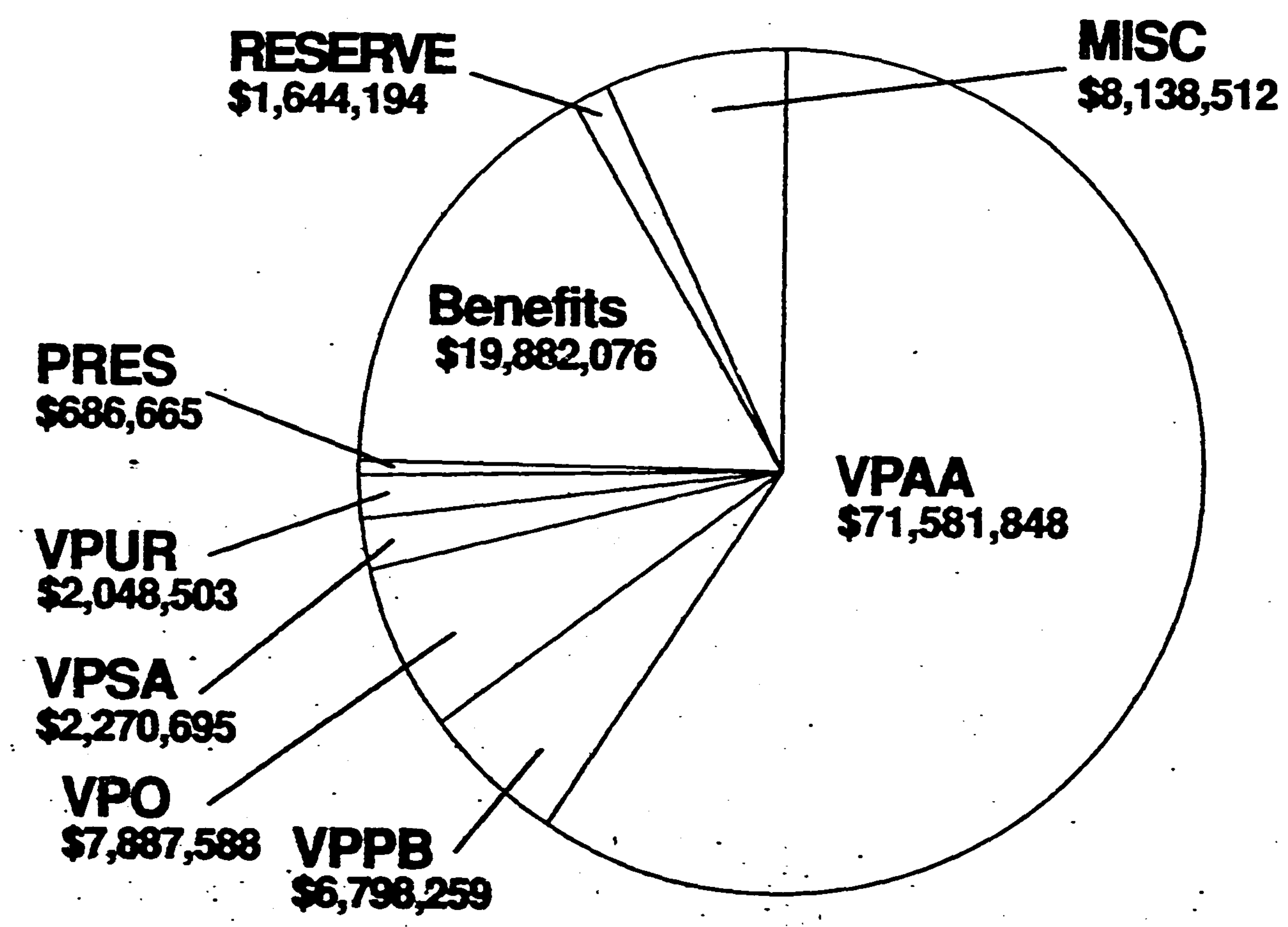
[illegible]dated Increases

[illegible] waivers
[illegible] increase $1,610,727
[illegible] graduate stipends
[illegible] subsidy
[illegible] $380,000
[illegible] Physical
[illegible]

Distribution of $6.18 Million Budget Reductions by VP Area (and Amounts)



1992-93 BGSU Educational Budget ($120,938,340)



University reductions summary by VP area

Planning and Budgeting

Six layoffs (two clerk 2, four telephone operators)
Six vacant positions eliminated
Elimination of 24-hour-per-day/seven-days-per-week telephone operations service in academic year
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

University Relations

No layoffs
Three vacant positions eliminated
Significant reduction in WBGU-TV educational budget support
Shift of expenses from alumni/development/WBGU-TV to private sources of revenue
Reduced contact with news media
Elimination of *Green Sheet* and arts calendar
Reductions in admissions publications
Reduction in secretarial support in publications

Student Affairs

Seven layoffs (five clerk 2, one director, one counselor)
One vacant position eliminated
Elimination of Office of Research and Evaluation
Career planning functions restructured and transferred to placement, elimination of two positions
Pre-college summer program for minority high school students will be scaled back
Desk clerk services in multi-unit residence halls will be consolidated

Academic Affairs

Two layoffs (student services counselor, secretary 1)
51 vacant positions eliminated
Approximately 41 vacant full-time positions
- increased dependence on part-time faculty
- larger class sizes/fewer sections

Elimination of Office of Institutional Studies
Elimination of Center for Academic Options
Reduction in summer instructional salaries
Reduction in library acquisitions

Operations

18 layoffs (seven maintenance, two custodial, one personnel, seven trades, one public safety)
21 vacant positions eliminated
General elimination of selected supervisory levels
Reduction in frequency and level of building maintenance/cleaning and grounds maintenance
Drastic reductions in in-house capabilities for renovations and construction
Response times for unplanned physical plant services will increase to greater than two-month delays
Reduction in weekend custodial service in residence halls

President's Area

Reductions in entertainment, travel, Board of Trustees expenses, legal services, campus and public events and EEO advertising

Moore and McFillen explain rules and process involved in unionization

All public employees have the right to unionize, John Moore, executive director of the Office of Personnel Services, said. "That's the law."

The rules for unionization may not be simple, with all the legalese getting in the way, but they are straightforward.

The process begins when 30 percent of an organization's employees sign authorization or recognition cards. The cards are then taken to the State Employment Relations Board in Columbus, where they are verified. It is at this point that management is notified by SERB that a unionization effort is underway.

It is also at this point where management may challenge the make-up of the bargaining group. Frequently there are disagreements about which categories of employees should be included in the unit.

Representatives of SERB will hear arguments from both sides and then make a ruling which is final. The board will also set a date for elections.

The election is by secret ballot, and a union is approved if a majority of those voting choose for unionization. (If the vote fails, unionization efforts cannot resume for one year.)

If a majority of those voting choose to unionize, then within 30 days, SERB will certify the election and, at that point, the stage is set for negotiations to begin.

Moore said many people have misperceptions about collective bargaining. Two of the most common are that negotiations deal only with wages and health benefits, and that employees get to keep everything they had before the union came in and when negotiations start, bargaining begins from there.

"Neither is true," Moore said, adding, "Old organizational traditions may go right out the window. There is nothing on the table at the start of negotiations and the relationship between management and the union becomes an adversarial one in its essential nature—whatever the tone is in fact."

Everything—wages, work hours, work schedules, health benefits, vacation, sick leave, employee discounts, parking permits and more—must all be negotiated from scratch.

Once negotiations begin, both sides have 90 days to come to an agreement, during which time unresolved issues may be settled by several methods, including external fact finders, as specified by state law.

Dr. James McFillen, chair of the management department, said only one thing is certain about an organization which undergoes unionization: "After negotiations end, it will be a far different place to work than before they began."

While not an expert on labor relations, McFillen is an expert on group conflict and he said predictions can be made about the unionization process.

As unionization begins, McFillen said communication between employees and management will decrease and communication within each group will increase. A them-vs.-us atmosphere will become more distinct.

As unionization continues, each side tries to expand and solidify its support by portraying the other side in negative stereotypical terms.

Then, as the conflict grows, the process of boundary spanning, or negotiation, begins. While in public the leaders of both sides may talk about non-negotiable items and use other hard-line rhetoric, behind closed doors both sides begin to come to an agreement.

The reason for the hard-line public rhetoric, McFillen said, is so the ultimate agreement can be "sold" to each group's membership. "If you are a union member, you want to be certain that your leadership got the best deal possible. If your leader seems a little wishy-washy in public, you might question the deal he negotiated behind closed doors."

Once a deal is reached, both sides then begin a search for shared interests and communication reopens in the hopes of healing wounds.

From a particular person's point-of-view, the organization may be better off or worse off than before negotiations began, but one thing is certain, McFillen said, "it won't be the same."

And Moore added one more certainty: Both sides will get to go through the process again in two or three years.

Weight program starts

A Weight Watchers Pre-Registration meeting will be held at noon on Sept. 3 in the personnel conference/training center, College Park Office Building. This will be a no-charge session.

The next 10-week Weight Watchers program will begin on Sept. 10 and run through Nov. 12. Each session will meet at noon in the training center at the College Park Office Building.

For further information, contact Karol Heckman at 372-2225.

PAY RAISE

From the front

fund certain annual University awards for outstanding performance by faculty and staff, such as the Distinguished University awards, teaching and research professorships, the Ferrari Award for administrative staff and the Classified Staff Council Outstanding Service Award; and other academic purposes designated by the vice president for academic affairs and based on approval by the president and Board of Trustees.

Also, at least one-third of the income from the balance of the fund after principal deductions used to fund the Eminent Scholars and international education will be used for library acquisitions. According to the proposal, no personnel costs can be supported by the internal endowment fund and all uncommitted interest income is added annually to the principal of the fund which is approaching $10 million.

In other business:

— Dr. Ronald Russell, interim dean of the College of Education and Allied Professions, was appointed dean.

—It was announced that Dr. Robert DeBard, dean of Firelands College, has decided to leave his post effective Aug. 1, 1993. A search will take place in the fall for his replacement.

BUDGET

From the front

1990-91 levels of support for instructional subsidy and to urge that support be given as well to the entire Excellence Program of the Ohio Board of Regents. The resolution went on to state "The excellence in education that these programs represent is essential to continued economic progress of the State of Ohio and to the quality of life of its citizens."

JUNE 6, 1991 — ASC discusses the possibility of layoffs and procedures that would be followed if they occur.

JUNE 18, 1991 — Walter Montenegro, personnel services, speaks to CSC regarding layoff procedures for classified employees.

NOV. 25, 1991 — Dr. Matt Filipic, vice chancellor for administration of the Ohio Board of Regents, says during a presentation that state economic woes may be attributable to trends which began in the 1950s and 60s. Dependence on the blue-collar industry established higher education as a luxury in Ohio and was priced accordingly. Today, higher education is more of a necessity, but the price tag is out of reach for many Ohioans.

DEC. 27, 1991 — President Olscamp sends a letter to employees announcing the continuation of the hiring freeze and noting the probability of fulltime layoffs if there are further budget reductions.

JAN. 6, 1992 — University foresight in setting aside approximately three percent, or $1.8 million, of state subsidy helps meet budget cuts, which total approximately $2.4 million.

APRIL 24, 1992 — At a University-wide convocation, Olscamp announces BGSU will have to reduce the 1992-93 educational budget by $7.2 million. He goes on to outline a reduction plan for the University that includes variable reductions in personnel and operating budgets, eliminating positions vacated by attrition, consolidation and restructuring of administrative units, layoffs and faculty summer salary reductions. Olscamp also announces there will be a one-time, three-year retirement buyout for staff.

MAY 11, 1992 — Personnel services begins publishing a series of employees' questions received by the Help Line, a telephone information service initiated by Olscamp at the April 24 convocation. The answers to the questions and other information are printed in MONITOR.

MAY 18, 1992 — Information from personnel services regarding layoff procedures is printed in MONITOR.

MAY 18, 1992 — The second Help Line column appears in MONITOR, along with information regarding the Public Employees Retirement System Early Retirement Incentive Plan.

MAY 19, 1992 — Olscamp updates employees on the University budget situation at a Classified Staff Council meeting. For planning purposes, the University will operate as if there will be a 15 percent budget reduction beginning July 1, 1992.

MAY 26, 1992 — Information on how to obtain unemployment benefits is published.

MAY 26, 1992 — The third Help Line column is published, along with information on health care coverage under PERS.

JUNE 1, 1992 — The fourth Help Line column is published, along with information on PERS.

JUNE 1, 1992 — Personnel services announces it will conduct informational workshops for employees interested in ERIP.

JUNE 26, 1992 — The Board of Trustees approve a 1992-93 budget that will result in spending reductions of at least $6.18 million (15 percent). Although the budget calls for a seven percent tuition increase, the trustees authorize the University to increase the fees to the top limit imposed by the state should the fee cap be raised.

JUNE 29, 1992 — Layoff notices are given to 33 classified and administrative employees as part of the University's efforts to cut $6.18 million from the educational budget. All of the employees, depending upon their qualifications, are eligible during the next year to be recalled for any open positions within their classification.

JULY 1, 1992 — Voinovich announces cuts of $170.2 million in state support for higher education in 1992-93, including cuts of $136 million or 10.5 percent in instructional subsidies. The cuts were part of a total $315.7 million in spending reductions. Higher education bore 54 percent of the statewide budget cuts even though it receives 12.4 percent of the state's budget.

AUGUST 14, 1992 — Contingent on there being no further state-ordered budget cuts, the Board of Trustees approve a proposal to increase salaries in January 1993. Funds may be available from the educational budget reserve in the approved 1992-93 educational budget and due to 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.

OLSCAMP

From the front

state-assisted universities face," Mahaney said.

He added that Olscamp's experience in Columbus is valuable to the University. "He is well respected among legislators and the reputation that he has is beneficial to Bowling Green," he said.

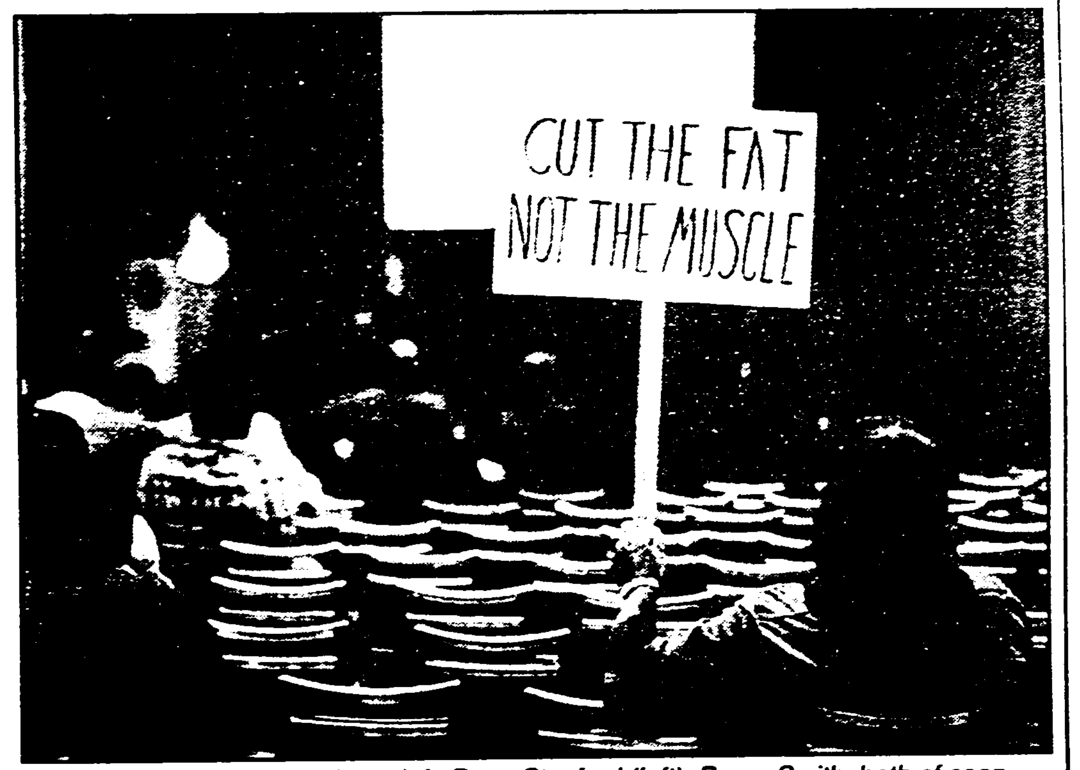
Mahaney also said the trustees were concerned about the expense of a national search for a new president. "A search of that scope will cost anywhere from $100,000-150,000 and that's money that's not best spent at this time. Also, it is probable that the salary and benefit package of a new president will be higher than what Olscamp is currently receiving," Mahaney added.

Olscamp said he had been making plans for a 1994 retirement but felt an obligation to both the University and the Board of Trustees to stay on. "The board has been extremely supportive of me in both good and bad times," he said.

Nonprofit Organization
U.S. Postage Paid
Permit No. 1
Bowling Green, Ohio

MONITOR

VOL. XV, NO. 8 | BOWLING GREEN STATE UNIVERSITY | AUG. 31, 1992



Opening Day festivities, held Aug. 24, provided an opportunity to mingle with colleagues and to vent frustrations. Above left, Dave Stanford (left), Bruce Smith, both of cooperative education, and Deb Burris, Graduate College, share a conversation at the Lenhart Grand Ballroom before President Olscamp's annual address. At right, a University employee expresses his opinion about the current budget situation.

'I'm angry about this'

Budget is focus of Olscamp's Opening Day address

In his 11th address to the University community on Opening Day, President Olscamp reviewed the current budget situation and indicated his anger at Governor George Voinovich's administration and the state government.

Due to campus-wide interest in the current financial situation, the address was open to all University employees this year. Olscamp outlined various events and reductions that occurred during the past year and discussed how the University would be dealing with them and possible further cuts. At one point he interrupted his prepared remarks and accused Voinovich's administration of not putting any planning into state budget reductions.

When deciding where to make cuts, Olscamp said the state asks "where's the easy money," and "who has the least political clout? The answer is higher education and I hope you can tell I'm angry about this," he said.

Higher education has absorbed 43.5 percent of the state's total budget cuts during the past two years, including 54 percent of the latest round of reductions announced July 1, Olscamp said. Only 13 percent of the money in the total state budget has been distributed to higher education.

However, Ohio institutions are not the only ones suffering, and in fact, Olscamp said "Ohio is much better off than a large number of other states." Last year 61 percent of public four-year institutions had to reduce their budgets in mid-year. He cited universities that have had to make drastic cuts such as the University of Maryland which has not had a pay increase in two years and has closed one college and seven departments. San Diego State is planning to close nine academic departments and Connecticut has increased tuition 60 percent in four years.

By the end of 1992, BGSU will have taken 187 jobs off the payroll, including 41 faculty positions and 33 full-time layoffs. In addition, there were no salary increases for the second consecutive year and reductions were made in faculty summer salaries. Olscamp said he hopes the summer salary reduction will not be permanent and promised that the 33 persons affected by the layoff will have priority for rehiring into positions that become vacant at the University through normal attrition and retirement.

The president said further cuts and more layoffs are still possible. "I do not

Continued on page 4

While not in favor of collective bargaining, Olscamp calls for an open atmosphere

Although he made it clear that he is not in favor of collective bargaining, President Olscamp pledged to maintain an open atmosphere on campus in light of possible union elections. He made his comments in an address to the faculty on Opening Day (Aug. 24).

Olscamp said he assumes there will be an election held sometime in the future to determine whether faculty wish to organize for the purpose of negotiating collectively with the administration [illegible] through a designated bargaining agent. He said he is not [illegible] because "I [illegible] racy and the nature of a university," he said.

During the period University faculty decide whether they want an election, Olscamp said they should be able to freely express their opinions, ask for information, debate the issues and criticize those views not in accordance with their own. "We must be able to deal with one another openly, without fear of reprisal or character assassination or loss of respect or friends just because of differing views," he said.

He commended the Bowling Green Faculty Association for the tenor of its campaign, [illegible]

White says a union would not end shared governance

With talk of the faculty considering an election of a collective bargaining unit swirling about campus, Dr. Allen White, chair of Faculty Senate, told the faculty audience at Opening Day ceremonies that such a unit "will not end our system of shared governance."

After examining other campuses which currently have unions, White said he does not think it will be necessary to radically change the Faculty Senate or the way it functions. However, there would have to be changes in the duties of the Faculty Welfare and Senate Budget Committees since many of the issues they handle would be assumed by a union. The committees would continue serving in an advisory capacity.

White said an election is expected to take place early this semester.

In addition to a possible bargaining unit, the senate will have many other concerns to handle this year. White said statements in the Governor's Management for the Future Task Force have provoked serious thought and discussion. "The potential threat to our tenure system and the suggestion that two of the state's universities serve as the primary research centers are particularly troublesome," he said.

Continued on page 4