
From: Doyle, Sheila [BOARD]
Sent: Monday, March 09, 2009 4:44 PM
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Cc: Regents Staff [BOARD]
Subject: President Miles' Statement on Employee Salaries
Attachments: IBOR DWM Salary Cap Announcement 030909.doc

FYI - the attached statement will be released shortly.



IBOR DWM Salary
Cap Announceme...

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**Governing Iowa's public
universities and special schools**

University of Iowa
Iowa State University
University of Northern Iowa
Iowa School for the Deaf
Iowa Braille and Sight Saving School
Lakeside Lab Regents Resource Center
Quad-Cities Graduate Center
Southwest Iowa Regents Resource Center
Tri-State Graduate Center



David W. Miles, President, *West Des Moines*
Jack B. Evans, Pro Tem, *Cedar Rapids*
Bonnie J. Campbell, *Des Moines*
Robert N. Downer, *Iowa City*
Michael G. Gartner, *Des Moines*
Ruth R. Harkin, *Cumming*
Greta A. Johnson, *Le Mars*
Craig A. Lang, *Brooklyn*
Rose A. Vasquez, *Des Moines*

Robert Donley, *Executive Director*

President Miles' Statement on Employee Salaries

March 9, 2009

At the Board of Regents meeting on March 19, 2009, I will ask the Board to adopt a resolution directing the heads of the University of Iowa, Iowa State University, the University of Northern Iowa, Iowa School for the Deaf, and the Iowa Braille and Sight Saving School, to hold flat the salaries for non-bargaining unit employees in FY 2010. Individual exceptions to this directive may be approved solely by the president of each university if, upon consultation with the Board Office, he or she determines that such salary adjustment is of great importance to the institution.

As we noted just a few weeks ago – when our appropriation reductions were estimated to total \$62 million – potential actions in response to lower appropriations might include: 1) deferring open positions; 2) limiting or eliminating salary increases; 3) implementing furloughs; and 4) eliminating positions.

With the reality that our required spending reductions may now be as high as \$75 million or more, it is apparent that we must cap salaries immediately. Our institutional heads will also need to give greater consideration to the possibility of implementing furloughs, eliminating positions, and other potential steps. All options to meet the necessary reductions remain on the table as we continue to respond to the State's financial need. Complete plans to address our FY 2010 budgets will not be finalized until precise funding levels from State appropriations and the Federal stimulus bill are determined.

Again, let us be clear that the Board of Regents is committed to doing what is necessary during the State's fiscal crisis, while at the same time working to minimize for Iowans any negative impact on our many resources for the State. It must be noted, however, that it is becoming increasingly challenging to implement additional cost-saving measures without damaging the core quality, affordability and access of our institutions.

I once again offer praise for Iowa's public universities and special schools for their tremendous efforts in response to the difficult task of identifying spending reductions. As I have stated previously, we are making the necessary progress in our cost-saving efforts thanks to the exemplary leadership of our university presidents and special school superintendents. Their efforts and concern are clearly reinforced with their agreement to forego salary increases for FY 2010, as well as bonuses at the end of this fiscal year.

The Board of Regents would also like to note the leadership of the State's largest public employee union, the American Federation of State, County and Municipal Employees ("AFSCME"), UNI – United Faculty, Campaign to Organize Graduate Students at the University of Iowa ("COGS"), and the Service Employees International Union ("SEIU"), for their response to the State's current economic difficulties. AFSCME recently announced that it has agreed to no cost of living increases for FY 2010. This decision will apply to many employees of Iowa's public universities and special schools.

United Faculty has agreed to no cost of living increase for FY 2010. COGS has agreed to no cost of living increase for FY 2010, no increase in tuition scholarship or stipend for FY 2010, and restructuring of its health plan. SEIU has agreed to restructuring of its benefit plan.

Finally the Board of Regents recognizes and thanks all employees of Iowa's public universities and special schools for their cooperation, sacrifice, and ongoing contributions to their institution and to the State in light of our current fiscal challenges. Your efforts have been critical in our response to State spending reductions, and in our continued commitment to excellence in the service to all Iowans.