

1 UNITED ACADEMICS PROPOSAL

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4 MEMORANDUM OF UNDERSTANDING:
5 SUPPLEMENT TO COMPENSATION ARTICLE
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7 In recognition of the extraordinary circumstances surrounding COVID-19 and the uncertain
8 impacts of the pandemic for both the Employer and individual bargaining unit members, the
9 Parties agree to the following:

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- 11 (i) A shared commitment to preserve bargaining unit member appointments may require
12 a shared sacrifice by way of temporary salary reductions. The Employer anticipates
13 that all of its employee groups will engage in a shared sacrifice if temporary salary
14 reductions prove necessary.
 - 15 (ii) If temporary salary reductions are necessitated by a demonstrable reduction in net
16 education and general revenue to the university, UAOSU acknowledges that the
17 Employer will be allowed to mitigate a portion of the effects by implementing
18 bargaining unit member salary reductions, which may take the form of adopting a
19 progressive system of reduction that exempts the lowest paid bargaining unit
20 members.
 - 21 a. For actual Corvallis E&G revenue shortfalls less than \$37 Million, no bargaining
22 unit salary cuts will be enacted. If salary cuts are enacted based upon projections
23 of more than \$37 Million, but the actual revenue loss is less than \$37 Million, that
24 salary will be returned to bargaining unit members.
 - 25 b. For actual Corvallis E&G revenue shortfalls between \$37 Million and \$62
26 Million, up to XX% of the revenue shortfall beyond \$37 Million will be offset by
27 reductions to the salary of unclassified employees.
 - 28 c. Salary reductions will be implemented no earlier than October 2020, but will be
29 based upon the full salary (not salary rate) for unclassified employees for the
30 fiscal year.
 - 31 d. Salary reductions will be achieved using progressive marginal rates.
 - 32 e. Retirement contributions will be based upon the pre-reduction salary of a
33 bargaining unit member.
 - 34 f. Salary reductions will be equivalent for bargaining unit members at the same
35 salary, despite funding source (e.g. Cascades E&G, Statewide Public Services,
36 and Corvallis E&G), excluding fixed-term bargaining unit members supported on
37 restricted funds.
 - 38 g. The Parties will conclude negotiations to establish specific level of salary
39 reduction associated with specific salary ranges no later than September 15, 2020.
40 The salary reduction rate applied in October 2020 will be based upon updated
41 revenue projections from September 2020.
 - 42 h. Rates applied in January 2021 will be based upon updated projections from
43 December 2020. The Parties agree to meet to discuss these projections and their
44 impact on salary reductions no later than December 10, 2020.
 - 45 i. Rates applied in April 2021 will be based upon updated projections from March
46 2021. The Parties agree to meet to discuss these projections and their impact on

1 salary reductions no later than March 10, 2021.

2 j. The Parties agree to meet to discuss the final actual revenue loss and their impact
3 on salary reductions no later than December 1, 2021.

4 k. Bargaining unit members will be return to their regular salary rate no later than
5 July 1, 2021.
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7 a. ~~Because projected Corvallis Education and General revenues are short of the
8 projected FY21 Corvallis E&G spending (\$632.2M), the Employer will
9 implement a salary reduction program that assumes no more than an \$100M
10 shortfall that:~~

11 i. ~~Is effective July 1, 2020 through July 31, 2021.~~

12 ii. ~~Fills no more than 33% of the revenue gap through the salary
13 reduction program.~~

14 iii. ~~Is structured, at a \$100M gap (and proportionately reduced at
15 lower reductions), such that:~~

16 1. ~~Bargaining unit members with base salary rates of
17 \$48,000 or less will have a 0% reduction.~~

18 2. ~~For bargaining unit members with base salary rates
19 between \$48,001 to \$70,000, the reduction in annual
20 salary will not exceed 5.5%;~~

21 3. ~~for bargaining unit members with base salary rates
22 between \$70,001 to 90,000, the reduction in annual
23 salary will not exceed 8.5%;~~

24 4. ~~for bargaining unit members with bases salary rates
25 between \$90,001 to 120,000, the reduction in annual
26 salary will not exceed 12%;~~

27 5. ~~for bargaining unit members with base salary rates
28 between \$120,001 to 150,000, the reduction in annual
29 salary will not exceed 14.8%;~~

30 6. ~~for bargaining unit members with base salary rates
31 between \$150,001 to 180,000, the reduction in annual
32 salary will not exceed 17.4%;~~

33 7. ~~for bargaining unit members with base salary rates
34 between \$180,001 to 200,000, the reduction in annual
35 salary will not exceed 18.8%;~~

36 8. ~~for bargaining unit members with base salary rates
37 between \$200,001 to \$220,000, the reduction in annual
38 salary will not exceed 20.2%;~~

39 9. ~~and for bargaining unit members with base salary rates
40 in excess of \$220,000 the reduction in annual salary
41 will not exceed 22.3%.~~

42 iv. ~~Reduces salaries for Cascades E&G and SWPS funded faculty
43 in the same structure proportionately to the revenue gaps in
44 those funds.~~

45 v. ~~Includes bargaining unit members funded by restricted funds,
46 though the savings will remain within the restricted funds.~~

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1. If the shortfall in Corvallis E&G revenues exceeds ~~\$100M~~ \$62M, the terms of a modified temporary salary reduction or other system of salary savings will be negotiated between the two Parties.