



THE GEORGE
WASHINGTON
UNIVERSITY
WASHINGTON DC

FACULTY SENATE

June 9, 2005

President Stephen J. Trachtenberg
The George Washington University
Rice Hall, 8th Floor

Charles T. Manatt, Esq.
Chairman, Board of Trustees
The George Washington University

Dear Chairman Manatt and President Trachtenberg:

The members of the Executive Committee have now had an opportunity to review and discuss President Trachtenberg's letter of May 20, 2005 informing the faculty of the Board of Trustees' decision to delay salary increases until January 1, 2006 and "to bring the salaries of assistant professors to the 80th percentile of the AAUP national average and to make progress toward the same percentile for full professors." We endorse and appreciate President Trachtenberg's recommendation, and the Board of Trustees' decision, to raise the average salaries of assistant professors to the AAUP 80th percentile and to make progress toward the same goal for full professors. We also endorse President Trachtenberg's stated goal of "[p]roceeding from January 2006, ... to maintain a 12-month cycle with a contingent objective of 4 percent for January 2007." We would like to reiterate the Faculty Senate's strong preference for annual salary increases and for a presumptive annual increase of at least 4 percent.

The change of the pay period to the 18-month cycle has been a subject of worried discussion with the administration. We would like to reiterate that our colleagues' and our own larger concerns are about the overall financial health of the University, as expressed in our last two Senate meetings, the Senate Resolution on Faculty and Staff Compensation Increases and Compensation Policy, and the Ad Hoc Report of Concerned Faculty. The underlying financial situation, the factors that have necessitated the Board's decision to institute yet another salary freeze, and the potentially negative impact on the University's academic reputation and its ability to recruit and retain talented faculty and students are primary concerns. We recognize, as you do, that faculty recruitment, development, and retention are stated central goals of our shared Strategic Plan and that their attainment requires significant support and long-term financial stability. We are also cognizant of the fact that there must be a parallel financial commitment to bring all of our schools to at least the 60th percentile of the AAUP national average if we are to be competitive with other major institutions in attracting and retaining excellent faculty and students. These, then, are underlying primary issues that must be addressed.

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President Stephen J. Trachtenberg
Chairman Charles T. Manatt

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In the spirit of shared governance and in light of the professional expertise and willingness of the faculty, we are persuaded that our colleagues and we must participate in the process of responding to the current situation and long-term planning. As recommended in the May 13, 2005 Faculty Senate Resolution 05/2 (attached), we believe that the first step is to establish a systematic working relationship between the administration and the Faculty Senate's Fiscal Planning and Budgeting Committee, requiring semi-annual reporting to the Faculty Senate with respect to fiscal planning in general as well as specific stated goals.

In order to more fully bring the faculty into the broader planning process and make use of its expertise, we reiterate the Senate's request (attached Resolution 05/2) that the Board of Trustees invite the Chair of the Committee on Fiscal Planning and Budgeting to serve as an ex officio, non-voting member on the Board's Committee on Finance and Audit.

We offer these reflections and recommendations in the spirit of our shared goals, deep commitment and sincere belief that the University's potential can be more fully realized.

Respectfully submitted,



Lilien F. Robinson
for the Executive Committee of the
Faculty Senate

Attachment

**A RESOLUTION ON FACULTY AND STAFF COMPENSATION INCREASES AND
COMPENSATION POLICY (05/2)**

- Whereas, Article IX of the Faculty Code states that “The regular, active-status faculty shares with the officers of the administration the responsibility for the effective operation of the departments and schools of the University as a whole...[and] participates in the formulation of policy and planning decisions affecting the quality of education and life at the University”; and
- Whereas, the quality of education and life at the University is inextricably linked to the quality of the faculty and staff which form its core, and compensation policy is crucial to maintaining that quality; and
- Whereas, in recognition of this link between personnel and University quality, the administration has repeatedly expressed support for Faculty Senate Resolution 87/1, which calls for the University to “make annual increments to faculty salaries designed to achieve as soon as possible, and to maintain, for all ranks ... [the] 80th percentile” and “for all ranks in each school and college no less than ... [the] 60th percentile” on the American Association of University Professors’ scale for Category I institutions; and
- Whereas, the May 9, 2005 presentation by the Executive Vice President and Treasurer has clearly demonstrated that the University has fallen unacceptably behind in this commitment for most of the academic ranks; and
- Whereas, the University faculty has been largely excluded from any of the planning decisions that have led to the University’s current financial circumstances~~this unfortunate set of circumstances~~; including, among other factors:
- a) rapid increases in the University’s total debt and debt-to-endowment ratio;
 - b) rapid growth in the University’s enrollment without corresponding increases in its full-time faculty or its classroom inventory;
 - c) heavy reliance on tuition revenues due to endowment management performance and fundraising efforts that have lagged behind many of the University’s peer institutions; and
- Whereas, at the May 9, 2005, special Senate meeting, faculty and staff were presented with a proposal which seeks to (1) defer their compensation increase by six months – for the 3rd time – and (2) change the date on which salary increases are awarded to a calendar-year rather than an academic-year basis; and
- Whereas, the administration’s justification for the salary deferral is based on questionable assumptions; and
- Whereas, the Faculty Senate is not persuaded by the administration’s position that the University’s fiscal situation does not permit an allocation of an additional \$2.2 million to compensate faculty and staff at a 4% annual level, rather than the proposed 3%, given an over-all University budget of approximately \$400 million; NOW, THEREFORE

BE IT RESOLVED BY THE FACULTY SENATE OF THE GEORGE WASHINGTON
UNIVERSITY

1. That the Faculty Senate Committee on Fiscal Planning and Budgeting and the administration jointly develop, for presentation to the Senate no later than the December, 2005, Senate meeting, a three-year plan for attaining the 80th percentile goal (and for ensuring that each school is above the 60th percentile), with semi-annual reports to the Faculty Senate which are to specify (1) progress toward attaining those objectives, and (2) the expected average faculty and staff salary increases for the upcoming academic year; and
2. That the University administration be directed to be more transparent, on an ongoing basis, with the Fiscal Planning and Budgeting Committee with regard to the University's fiscal situation to ensure that the faculty is not presented with subsequent fiscal deficits for which they and the staff will be expected to sacrifice without having been involved in the fiscal planning; and
3. That the Board of Trustees be requested to invite the Chair of the Senate Committee on Fiscal Planning and Budgeting to serve as an ex-officio, non-voting member of the Board of Trustees Committee on Finance & Audit; and
4. That the Faculty Senate unequivocally *opposes* any compensation plan that would defer annual salary increases for staff and faculty, regardless of the questionable possibility that greater increases might accrue to some individuals in the long-term ; and
5. That the Faculty Senate recommends an average compensation increase of no less than 4%, effective July 1, 2005.

Executive Committee of the Faculty Senate
May 12, 2005

Adopted, as amended, May 13, 2005