UNIVERSITY OF OREGON

Office of the Provost

Dear UO community member,

The University of Oregon and United Academics have been meeting regularly since February to negotiate the terms of a successor faculty collective bargaining agreement (CBA). Although we are in the early stages of the bargaining process, the parties have exchanged proposals on twenty-five open articles and have begun negotiating salary increases, which is a topic of keen interest to all. We want to keep you informed and provide context for the university's offer presented to United Academics at last Thursday's bargaining session.

Offer Comparison

The following offers have been exchanged:

UO Offer

Annual Salary Increases
(effective Jan.1)

- 2025 – 3 percent merit pool
- 2026 – 3 percent merit pool
- 2027 – 3 percent merit pool

Salary Floor Increases
(effective Jul.1, 2025)

- 3 percent to all

Review-Related Increases

- Promotion – 8 percent
- Six-Year Post-Tenure Review
  4 percent meets expectations
  8 percent exceeds
- Career Continuous Employment
  4 percent meets expectations
  8 percent exceeds

UA Offer

Annual Salary Increases
(effective Jan.1)

- 2025 – 9.4 percent across-the-board
- 2026 –
  - 4.4 percent across-the-board
  - 2.5 external equity pool
  - 2.5 internal equity pool
- 2027 –
  - 3.4 percent across-the-board
  - 6 percent unit-based merit pool

Salary Floor Increases
(effective Jul.1, 2025)

- 30 percent to instructional pro tem
- 20 percent to all others

Review-Related Increases

- Promotion – 10 percent
- Six-Year Post-Tenure Review
  6 percent meets expectations
  10 percent exceeds
- Career Continuous Employment
  6 percent meets expectations
  10 percent exceeds

UO Salary Offer and AAU Comparators

The UO salary offer seeks to balance investment in faculty compensation with the realities of the university's financial position. We take pride in being among the premier institutions in the

Association of American Universities (AAU); however, it is important to note distinct differences exist between the financial position of our institution and that of the other members.

The UO's financial position is not nearly as strong as that of other AAU institutions: we have far lower than average revenue, receive less state funding, invest significantly more in benefits, and have a higher dependency on student enrollment and tuition. The university has a constrained revenue model in a very competitive market. Increases in faculty salary must be planned within the limits of our financial position.

The following financial factors must be considered when committing to salary increases [data from the Integrated Post-Secondary Education Data System (IPEDS) and the American Association of University Professors (AAUP) provided below]:

- The UO ***receives far less state support each year*** ($86.4 million) than the average AAU institution ($416.2 million). *See graph #1*

- The UO is much ***smaller than the average AAU institution*** (22,373 students vs. 40,984 students), which does not afford it the same scale economies related to overhead expenses. *See graph #2*

- The UO ***receives millions of dollars less in revenue annually*** than the AAU average when looking at both net tuition and fees and state funding on a per-student basis ($4,689 less per student). This equates to $104.9 million less funding per year than the AAU average. *See graph #3*

- The UO ***invests more in employee benefits than any other public AAU institution*** in the country as measured on a percentage of salary basis. These state-mandated contributions provide valuable benefits to UO employees but also impact the financial structure of the university as 80 percent of our Education and General (E&G) Fund budget is invested in compensation and benefits for employees. *See graph #4*

- The UO is ***more reliant on tuition for funding*** and charges higher undergraduate tuition rates than the AAU public average. The UO relies primarily on tuition revenue for funding (77 percent of E&G Fund). Our current undergraduate tuition rates for resident and non-resident students are already high among AAU public institutions, and we risk pricing ourselves out of this highly competitive market if we increase tuition incautiously. To support all students and ensure affordability for low-income Oregonians, we must carefully consider any tuition rate increases required to balance the budget. Large increases to tuition rates may lead to decreases in enrollment, ultimately decreasing revenue.

  This year, our E&G Fund budget is projected to run a $1.5 million deficit. In consideration of all of the factors affecting students and our financial position, the Board of Trustees recently approved a 3 percent tuition rate increase for incoming undergraduate students.

Next Steps in Bargaining

The university and UA bargaining teams will continue meeting through the spring quarter to negotiate terms for a successor contract. Updates are posted on the HR website following each session, including proposals and counterproposals exchanged between the bargaining teams.

We value our faculty, recognize the need to make financial investments, and remain committed to working with the UA bargaining team to identify solutions to shared interests.

Sincerely,

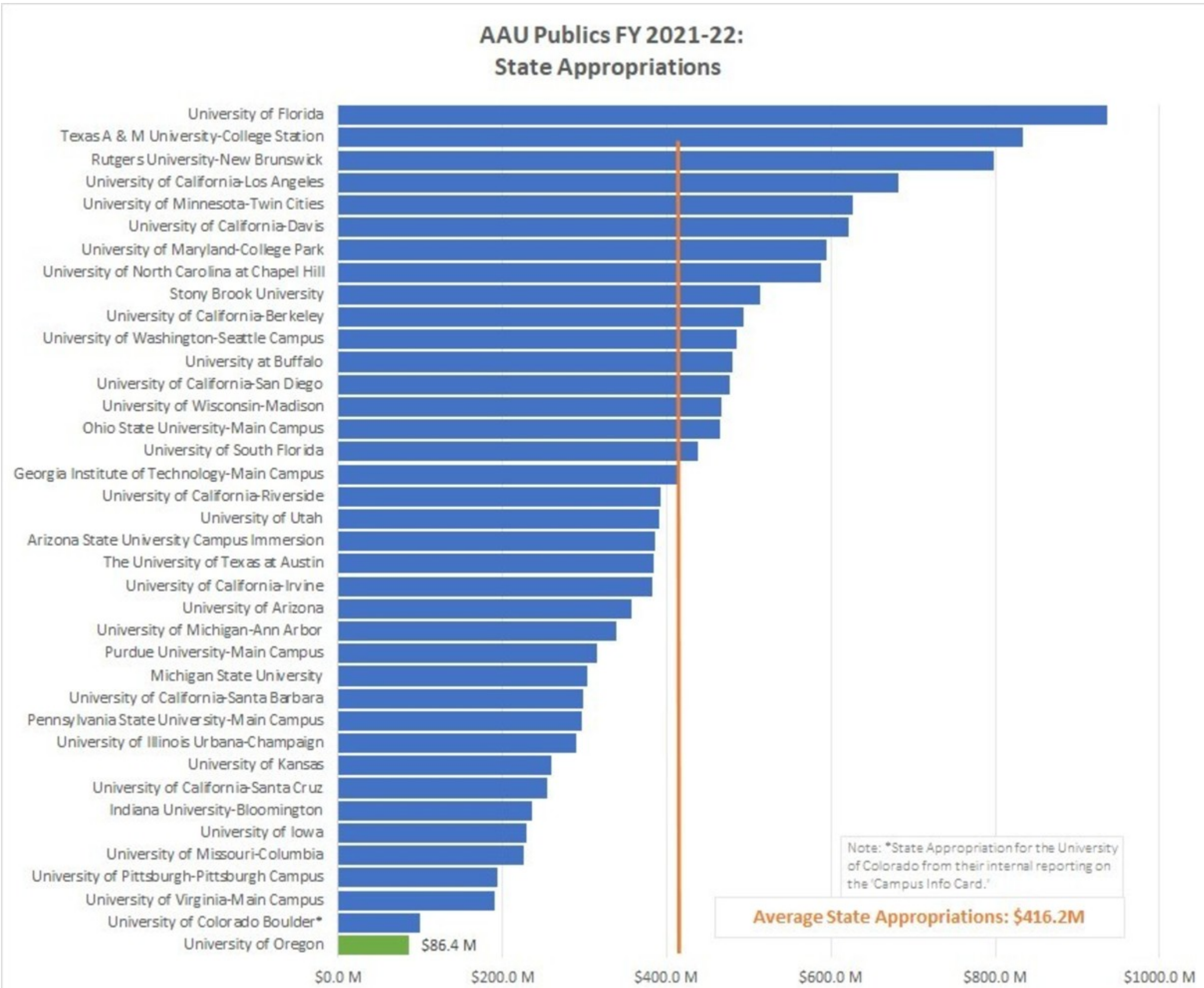
Karen Ford
Interim Provost and Senior Vice President

Chris Meade
Director of Employee and Labor Relations

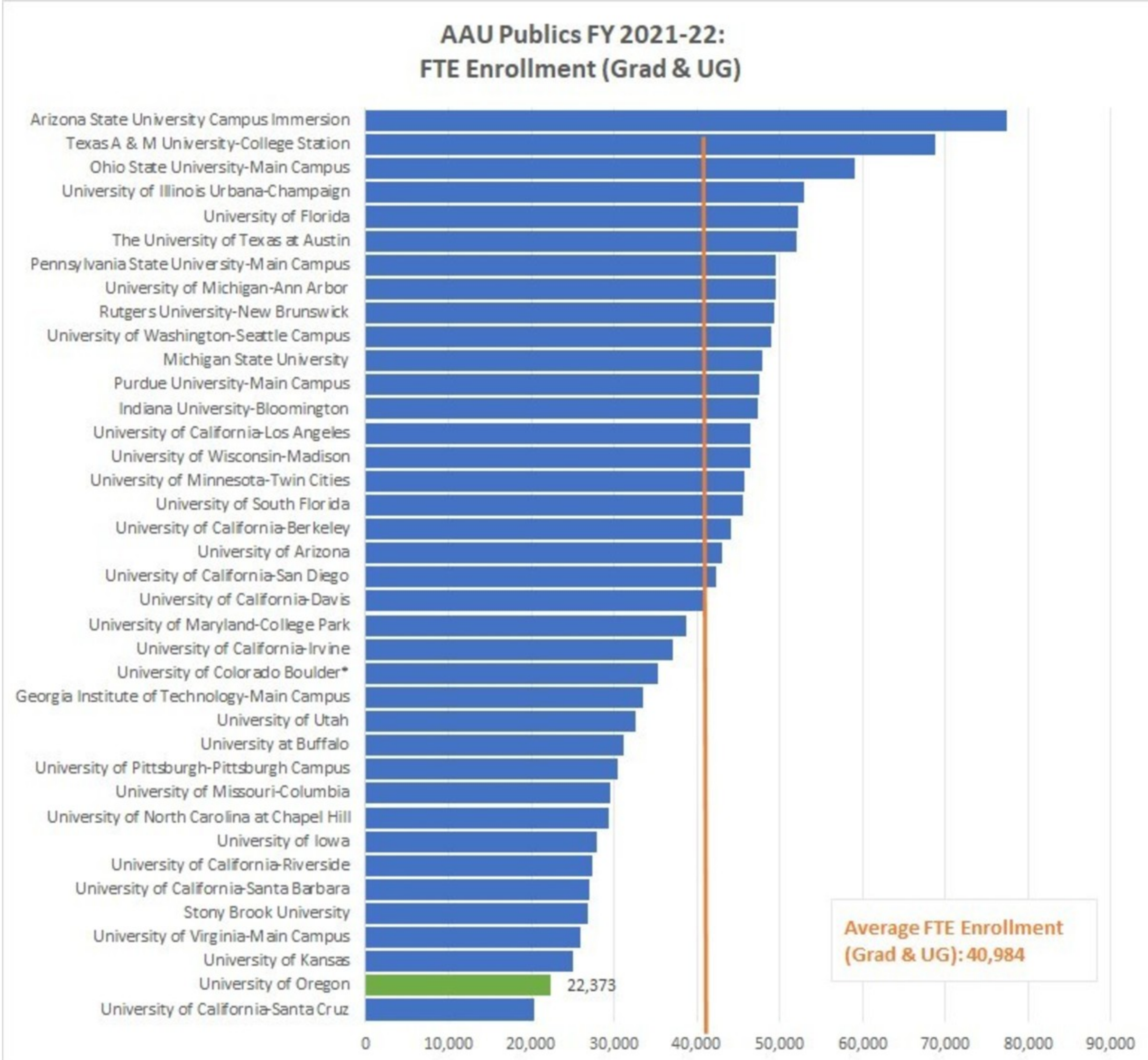
Comparator Data

The following graphs illustrate the differences between the UO financial position and AAU institutions. *The data is from the Integrated Post-Secondary Education Data System (IPEDS) and the American Association of University Professors (AAUP).*

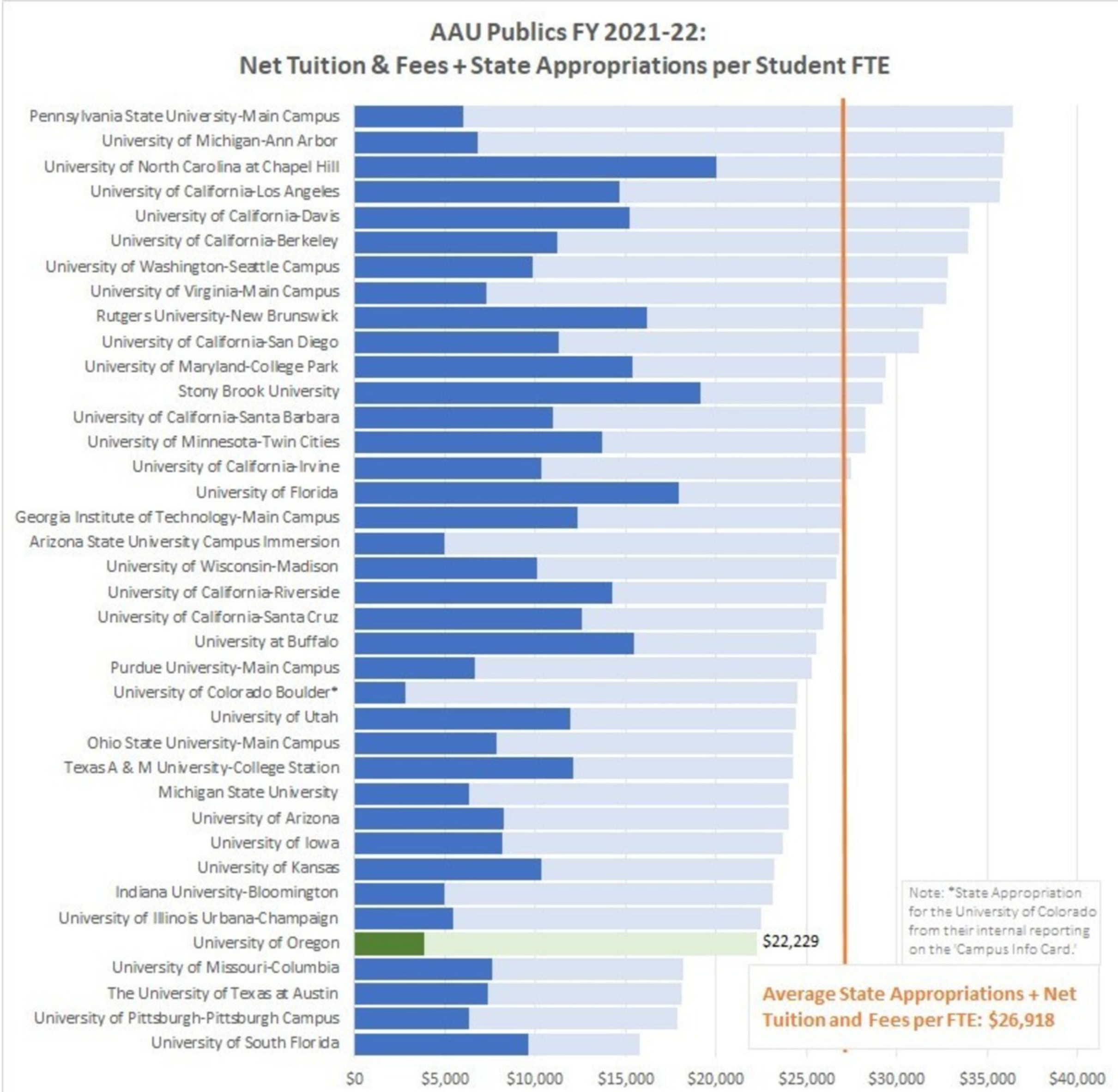
Graph #1 - The UO receives far less state support each year.



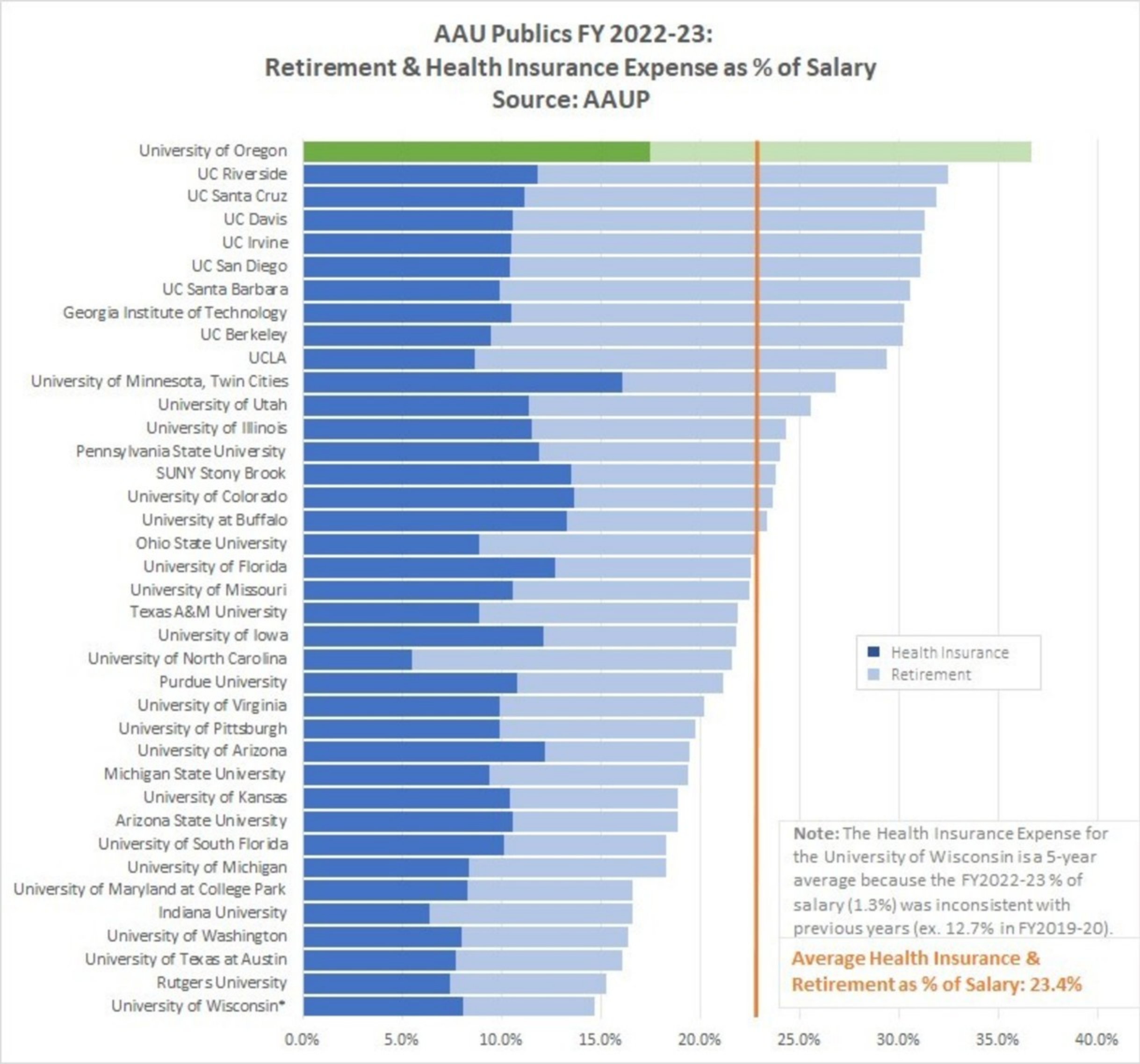
Graph #2 - The UO is much smaller than the average AAU institution.



Graph #3 - The UO receives million less in revenue annually.



Graph #4 - The UO invests more in employee benefits.



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