



Consistent with R&P 1.2.8.1, it is the sense of the faculty that any actual budget surplus from the FY2021 budget should be redirected towards restoring compensation to faculty and staff, as discussed in the attached proposal.

At the April Faculty Senate meeting, Lehigh's administration shared welcome news: the FY 2021 spending cuts worked as intended, enabling us to financially weather the pandemic without ending the year in deficit. They shared that, barring last-minute emergencies or missed enrollment targets, we are projected to have a surplus as a result of cutting more than needed to meet our budget needs in this challenging year. At this meeting, the administration informed the faculty that once the surplus is known and finalized, they were considering investing it in strategic initiatives.

The University community has circulated a petition calling on the administration to use all surplus funds to restore money taken from paychecks to weather the crisis. The Senate takes no stance on the particular petition specifics, but we endorse and amplify the principles that drive it:

1. A large percentage of the cuts that helped Lehigh get through the FY 2021 crisis came at the expense of faculty and staff compensation.
2. Through their commitment to Lehigh and their response to the administration's request to adapt to a quickly changing educational landscape, employees did extraordinary work despite the reduced compensation. Many worked beyond the terms of their employment (including, but not limited to, direct effort for teaching and service during unpaid summer months and incurring uncompensated business expenses).
3. The savings that allow for the surplus are the result of past and continuing compensation sacrifices of employees and staff. The pursuit of strategic initiatives before the restoration of compensation that went unpaid due to the pandemic would represent a breach of trust with the university community. The University has a moral obligation to restore lost pension benefits (over time—not necessarily all at once).

The Faculty Senate requests the following:

1. The administration commits in the remaining two months of FY 2021 to the same exceptional fiscal discipline that allowed us to limit the shortfall, with a goal of maintaining or growing the current projected surplus.

2. The administration commits to redirecting all surplus funds back to employee compensation, giving withheld money back to the people who helped to enable the fiscal success of this past year.

The Faculty Senate leadership would be pleased to work with administrators on the specifics of how to best restore paycheck compensation, but for now we ask for a commitment to the principles and actions outlined above. We see this as part of our larger commitment to a process of shared governance, in which faculty, staff, and administrators work together for the good of all members of our university community.

In an almost unanimous vote by the Faculty Senate on May 7, 2021, this sense of the faculty was approved.

This sense of the faculty resolution will be submitted to President John Simon, Board of Trustees Chairman Kevin L. Clayton, Provost Nathan Urban, and the Deans of the five Lehigh Colleges.

Respectfully submitted,

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