

Good morning, everyone. On behalf of Oregon’s Public Universities, I would like to express our sincere appreciation for you being here and participating in the bargaining process. We recognize and value the significant time commitment and important role that each one of you contributes in representing your members’ interests.

As we gather here today – and for the next several months – we look forward to a shared purpose of engaging in meaningful dialogue and working to reach a mutually beneficial agreement that respects the rights and aspirations of both parties involved. By collaborating openly and transparently, we can achieve outcomes that not only serve the needs of classified staff but also ensure the long-term sustainability and success of the Universities.

Throughout this negotiation process, we are committed to upholding the principles of fairness, respect and integrity. We understand that labor negotiations can be challenging at times, but we firmly believe that through constructive dialogue, we can find solutions that meet both parties’ interests.

I truly hope both parties can achieve constructive dialogue about interests, because a dialogue about positions alone—which is different from a dialogue regarding interests—can often entrench one or both parties in negotiation and derail reaching meaningful accord.

This past summer, I re-read the book “Getting To Yes,” which outlines a principled-based negotiations approach designed by Roger Fisher and William Ury of Harvard’s Negotiation Project. In short, the problem these two sought to

address was to have parties avoid engaging simply in bargaining over positions. To do so, they recommended utilizing the following to find solutions to the interests that parties' encounter in negotiations:

1. Separate people from the problem.
2. Focus on interests, not positions.
3. Invent options for mutual gain.
4. Insist on using objective criteria.

While this method is mostly used in what is called interest-based bargaining, I believe both sides can work to follow this method. I know that I am going to be more thoughtful about utilizing this method when presenting and receiving proposals. My hope is that we all can, as well.

We understand Union's priorities to be:

1. Respect for classified staff.
2. Fair wages that keep pace with the cost-of-living.
3. Safe working conditions.
4. Maintaining a strong union.

The Universities' interests include:

1. Supporting classified staff by maintaining:
 - a. The best healthcare benefits in the Western United States.
 - b. Unparalleled retirement benefits.
 - c. Starting salaries above the State of Oregon's highest minimum wage.
2. Increasing flexibility to support sustainability.

3. Being stewards of affordable student access and retention.

Even with these priorities and interests, it is crucial that each of us acknowledge the economic realities and competitive landscape within which our universities operate.

While we acknowledge and have welcomed state increases in funding over the past decade, the truth is that such increases do not make up for previous declines in state funding for Oregon's universities. Indeed, for some universities, the increases in state funding is offset by declining tuition revenue, resulting in little to no revenue growth. It is important for all to recall that the state used to provide the universities more than 60% of their funding. Now we are managing the effects of two straight decades of underinvestment and the funding dynamic within Oregon's public universities has completely flipped so that the very Oregon students our universities are competing to attract and retain now pay nearly two-thirds of the cost of their education bill through tuition.

And with some of our universities experiencing past, present, and likely future enrollment declines, supporting and retaining students is of the utmost importance. Your members along with the entire campus community play a critical role in supporting student success and retaining student enrollments. It is now incumbent upon each of us to use our collective years of experience and dedication to find ways to sustain accessible higher education and grow career opportunities for all students going forward.

It also does not help that Oregon ranks near the bottom of the nation for per-student state funding of its public universities while the state also requires universities to pay the 6th highest benefits rate in the country [FY22 SHEEO SHEF data; FY21 IPEDS data]. Indeed, the cost of employee payroll and benefits are expected to cost more than \$4.3 million a day in 2023-25, up 9% from the previous biennium.

Yet, we also are cognizant of how the value of a dollar has not kept pace with rising inflation. Oregon's universities also are victims of inflation. Between 1990 and 2022, inflation has grown by 128% [BLS West Region CPI-U data], yet state funding for the universities has only grown by 45% over the same period. And while the state set aside a massive \$450 million increase in salaries for state employees, our public universities were funded below their 2023-2025 funding request.

In turn, the students we are obligated to recruit, retain, graduate, and help succeed in career and life after college will be expected to continue to pay for nearly two-thirds of their education, including the salaries and benefits for university employees.

So, I ask that we collaboratively strike a balance seeking to meet employee needs and expectations and ensuring the long-term viability of the universities for the success of all students.

In the spirit of such collaboration, we encourage open and honest communication throughout this negotiation process. We are here to listen to your interests, ask

questions to better understand them, and ultimately work with you to find common ground. Together, we believe we can explore creative solutions that address the interests of both parties and ensure the long-term viability of the universities for the success of all students.

Once again, we extend our gratitude for your presence here today and look forward to engaging in productive discussions. Let us approach these negotiations in a principled way and with a shared commitment to reaching an agreement that benefits everyone involved.

Thank you.