

## **STRATEGIC HIRING FREEZE: FREQUENTLY ASKED QUESTIONS**

### **Why do we need a strategic hiring freeze?**

For the first time in many years, revenue is not keeping up with expenses. Student enrollment declined this year by an estimated 4.5 percent and is forecast to continue to decline next year, resulting in lower-than-projected tuition revenue.

To help alleviate service reductions, we anticipate spending up to \$12 million of our limited reserves in the coming fiscal year. Even after that investment, the university general fund budget will be flat from FY20 to FY21, which means all cost increases, including inflation, salary and benefits will need to be covered without additional resources.

We are implementing key strategies that will steady enrollment and grow revenue, but it will take time for these initiatives to yield results.

Clearly, a strategic hiring freeze alone does not balance PSU's budget. Additional work must be done to reduce expenses. While that work is undertaken, a strategic hiring freeze will ensure that we are reducing expenses as soon as possible.

### **How will a strategic hiring freeze help solve the problem created by lower-than-predicted enrollment and a flat budget?**

Flat budgets will require each division to cut costs and redirect funds to accommodate salary and other required increases. With over 80 percent of the institution's budget in personnel, our most effective immediate action is to freeze vacant positions. During the strategic hiring freeze, we will continue to explore additional mechanisms for reducing expenditures and costs.

### **When will the strategic hiring freeze be implemented?**

The strategic hiring freeze took effect on March 5th.

### **How long will the strategic hiring freeze last?**

The strategic hiring freeze is in effect until further notice. We will reassess after Summer 2020 is complete and we have a revenue forecast from the fourth-week Fall 2020 enrollment.

### **What groups will be affected by the strategic hiring freeze?**

Current and future Education & General Fund (E&G) positions. This includes new positions, current vacancies and anticipated vacancies.

### **What groups will not be affected by the strategic hiring freeze?**

The hiring freeze does not apply to hourly student employees, temporary classified employees, graduate assistants, wage agreements, adjuncts and any positions that are fully funded from Non-E&G or Restricted Funds (funds 050000 and higher).

### **Will PSU extend fixed-term appointments?**

All fixed-term appointments are subject to the strategic hiring freeze.

## **What is the impact on current open positions (by stage)?**

- **Advertised or Posted:**

Positions that are already posted can remain advertised.

Managers can continue to post positions for the following groups: hourly student employees, temporary classified employees, graduate assistants, and unclassified wage agreements including adjuncts and any positions that are fully funded from Non-E&G or Restricted funds (funds 050000 and higher).

No other positions should be posted or advertised unless approved through the exemption process.

- **Pre-Interview/Interviews:**

If you have received applications or are in the interview stage for a position, it is recommended to communicate with your applicants about the hiring freeze. A sample email can be found here: [Applicant Email re: Hiring Freeze](#)

- **Verbal Offer extended:**

Units should work with their division leader (Vice President) to provide documentation of verbal offers.

- **Offer extended:**

We will honor documented extended offers of employment.

- **Offer accepted:**

We will honor accepted offers of employment.

## **How will the strategic hiring freeze be implemented?**

PSU will freeze vacant positions and fill them only after careful consideration of how they meet the strategic priorities of the university and are affordable within a reduced budget.

## **Will PSU still hire for some positions?**

Yes. Vice presidents will determine whether positions are essential to the operations of the university, critical for equity and inclusion, central to our strategic priorities such as *Students First*, or are responsible for generating new revenue for PSU.

At the divisional level, individual vice presidents have the flexibility to set up additional, complementary criteria on a unit-by-unit basis. For example, Provost Susan Jeffords has set out a hiring review and approval policy for OAA.

Initial requests for hiring exemptions will be reviewed by the Executive Council in mid-April. Positions that become vacant after the initial review will be considered as needed until the strategic hiring freeze ends.