Dear Members of the Penn State Law and SIA Community,

As President Barron just shared, Penn State joins a multitude of other universities and colleges facing similar serious fiscal situations and critical choices to avoid impacting their core missions of teaching, research and service, as they contend with the unprecedented financial challenges caused by the global pandemic. Our economy has been crippled by the need to enact social distancing. And no enterprise is immune, including Penn State.

With deep consideration and concern, University leaders -- in consultation with the Board of Trustees -- have determined that in addition to the already announced hiring freeze and freeze in general salary increases, further steps must be taken to counter the lost revenue and unanticipated expenses that our University has experienced. These additional steps include:

- a 3% cut in every unit across the University for the coming fiscal year, including Penn State Law and SIA; and
- employees who cannot perform their work remotely will begin on May 4 to receive 50 percent of their regular wages. They will retain University benefits based on their adjusted salary through June 30, and based on conversations with the state, we believe most should be eligible for unemployment and stimulus support, which may help reduce the impact of a salary reduction.

These newest actions allow the University two additional months to carefully examine and evaluate our fiscal situation and the landscape of higher education overall as we continue forward.

I want to reinforce that the University is on strong financial footing and is well positioned to navigate this crisis. However, there is not an organization or individual that will not be touched in some way by this crisis and University officials cannot say with certainty if stronger cost-saving actions will be necessary in the future.

We will be in touch in the coming days to follow up further. I want to reiterate how much I value the work that you are doing during this crisis and all of the ways in which you are supporting each other.

Best,
Hari

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