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MARCH HERALDS LEGISLATIVE ACTIVITIES AND MOOCs

by [Nancy Black](#), IFO State President

Dear Colleagues:

March is coming in like a lion in all respects. Snow, legislative activities, and breaking news about the controversial “free” Massive Open Online Courses (MOOCs) continue to swirl. Our long-awaited contract settlement is being shepherded through the legislative pathways with persistent guiding especially by Russ Stanton, Brent Jeffers, and also by Chris Dale, senior systems director of the System Office. (See Stanton, Jeffers in this issue.) I am delighted that today I can report that I witnessed its approval by the House State Government Finance Committee, and next it is on to the Senate Finance Committee. A surprising line of questioning by Republican representatives concerned comparisons between private sector and state government employee salaries. One representative went so far as to ask if the System Office had done any research on wage comparisons with state university faculty teaching engineering and engineers (!) in the private sector. We welcome such a comparison as the data are rather shocking evidence of the lower salaries in academia. If a person ever had a doubt about different positions in our state political parties concerning legislation affecting state employees, I invite you to attend a legislative hearing. Support from Democrats is solid while Republicans display hostility in the guise of being fiscally diligent for their constituents. It is quite unfortunate at the state level, and devastating at the national level.



President Black and Chancellor Rosenstone sign agreement

During the past two weeks, I had the opportunity to meet with Dr. Daphne Koller, co-founder of Coursera, a for-profit business that has been offering online courses for less than one year but one that seems to be taking the nation by storm. I also met with Dr. Anant Agarwal, co-founder of edX, an open source technology platform that the Massachusetts Institute of Technology and Harvard University have each invested \$30 million dollars. Neither MITx nor Harvardx courses are offered for credit even for their

own students. Chancellor Rosenstone and Director Larry Pogemiller of the Office of Higher Education have been gracious by including the IFO in all opportunities to have face-to-face, frank discussions with these principals. Nationally many institutions, including the University of Minnesota, are now spending state taxpayer money to partner with Coursera as a for-profit educational experiment. The IFO has not taken an official position on MOOCs, but I have strongly encouraged the Faculty Association Presidents to have campus conversations. We want to know your opinions and questions. IFO faculty work assiduously at providing a quality educational experience in all forms including e-learning and hybrid/blended courses- delivering an “extraordinary education.” Let’s examine all aspects of innovations so we can incorporate any ideas that may benefit our students’ learning.

I am hoping March goes out like a lamb with back pay and a raise in our pockets. Warm wishes to you all.

NEGOTIATIONS UPDATE: CONTRACT MOVING THROUGH THE LEGISLATURE

By [Brent Jeffers](#), *Chair of the IFO Negotiating Team*

On Monday, March 11, Roland Specht-Jarvis, St. Cloud Negotiator, President Nancy Black, Russ Stanton, Government Relations Director, and I attended the hearing of the joint subcommittee on Labor Relations regarding the IFO contract. I am pleased to announce, the committee recommended ratification by a 6-4 straight party-line vote. One representative begrudgingly described our 4.6% salary increase as very generous and voted against the bill. There were also questions about the new minimums and Chris Dale, Lead Negotiator for MnSCU, was asked if the system had conducted a cost analysis of our salaries compared to the private sector. Mr. Dale thoughtfully explained that it would be an unprecedented analysis to compare faculty salaries with non-faculty positions. There was some opposition to the \$1,500 lump sum for parental unpaid leave and a question about potential abuses with this benefit. Again, Mr. Dale did a good job justifying this benefit by presenting the scenarios of the birth or adoption of a child not correlating with the semester start and end dates and indicating the problems associated faculty returning to teach a class in the middle of a semester. He also referenced the possible use for the lump sum payment to purchase COBRA insurance while on unpaid leave.

Those of us in attendance appreciated Chris Dale’s explanation that faculty in the IFO have gone 4 years without a pay raise while other states have increased faculty compensation over the same time period. Furthermore, our compensation had fallen below the median of similar institutions affecting our competitiveness on a national scale. Mr. Dale was also questioned about the removal of the sunset on career steps. He responded with the original intent of addressing salary compression but also indicated the sunset removal was part of a negotiating process inherent in collective bargaining. (We are not Wisconsin.)

Surprisingly, there were questions regarding unchanged language in our contract. One such question related to the early separation benefit (ESI). Russ Stanton intervened to correct an erroneous assertion that the ESI would impact retirement benefits by calculating the 2 additional steps for early notification into one’s “high 5”.

Chris Dale did an admirable job defending the negotiated settlement, and thankfully all subcommittee members were in attendance for the vote. On Tuesday, the bill passed two more committees: the House Labor, Workplace, and Regulated Industries Committee, and the Senate State and Local Government Committee. These committee votes were also straight party-line votes, Democrats for/Republicans against. The bills now will go to the State Government Finance Committee in the House and the Finance Committee in the Senate. All bills must be out of committee and on to the floor by March 22nd before the legislature takes a break. Russ doesn’t anticipate any floor action on our contract until after the break. He has, however, talked to both authors and encouraged them to move the bill as fast as possible. At this point we anticipate the bill should reach Governor Dayton’s desk by April 1.

LEGISLATURE ADVANCES IFO CONTRACT, MARRIAGE BILL, DREAM ACT

by [Russell Stanton](#), *IFO Director of Government Relations*

The legislature is now in high gear as they reach deadlines for committees to act on bills. By March 15th all policy bills had to be out of policy committees in either the House or Senate, and by March 22nd, all policy bills have to be out of policy committees in both the House and Senate to remain alive. This past week we saw action on several of IFO’s

legislative goals, here is a summary:

The IFO Contract Moves Forward

Last Monday the Legislative Subcommittee on Employee relations took up HF 1069/SF to ratify three collective bargaining contracts, including the recent agreement between MnSCU and the IFO. After concerns were raised by Rep. Steve Draskowski (R-Mazeppa) and Rep. Joyce Peppin (R-Rogers) regarding the “generous” benefits in the IFO contract, the committee voted along straight party (Democrats for/Republicans against) to recommend approval of the contract agreement. Later in the week the bill was approved by the House Labor, Workplace and Regulated Industries Committee and the Senate State and Local Government Committee. The bills have now met the committee deadlines, and now go to the Senate Finance Committee and the House State Government Finance Committee, where they will probably be heard this week. The bills are on a fast track through the legislative process because the DFL leadership wants to get faculty and other public employees their long overdue pay increases and back pay as soon as possible.

Marriage Equality Advances

IFO supports legislation to allow same-sex partners the same right to marry the person they love as opposite-sex couples now enjoy. There are over 515 places in statute where rights and benefits are linked to marital status. Under the IFO contract, benefits such as eligibility for family health care coverage (worth about \$10,000 per year) are linked to marital status. The most efficient way to right these inequities is to simply allow same-sex couples the right to marry. This week both the House Civil Law Committee and the Senate Judiciary Committee held hearings on HF 1054 and SF to grant equal marital rights to same-sex couples. The legislative halls were packed and scores of people testified for and against the legislation. I testified on behalf of IFO in support of the legislation. In the end, the bills passed along straight party lines (Democrats for/Republicans against), and were sent to the House and Senate floors for a vote. I don't expect the marriage bills to be taken up on the floor right away—the deadlines for budget bills to be out of committee is fast approaching, and the legislature intends to pass a budget before they take up controversial policy issues.

The final vote on the marriage bill is going to be very close—if it passes, it will probably pass by only one or two votes in both the House and the Senate. Over the next several weeks lobbying by both proponents and opponents of the marriage bill is likely to be intense. We need your help. IFO will be sending out action alerts, asking faculty members to write to legislators whose votes are likely to be crucial to passage of this legislation. If you would be willing to be part of that effort, please send your e-mail address to [Melissa Anderson Anderson@ifo.org](mailto:Melissa.Anderson@ifo.org) at the IFO, and we will add your name to the list for receiving action alerts.

The DREAM Act Advances in the Senate

On Thursday of last week the Senate Higher Education Committee heard and passed SF 723, which is referred to as the DREAM Act bill. The bill would allow undocumented students who graduate from a Minnesota high school to pay in-state tuition rates at a public college or university. It would also allow students who meet criteria in the bill to apply for and receive student financial aid in Minnesota. The bill will probably be included in the Omnibus Higher Education bill when it is assembled in the next few weeks. IFO supports the legislation.

Student Open Source Textbook Legislation Pulled from the Agenda

This session students, in an effort to bring down the cost of textbooks, were sponsoring legislation to promote use of open source learning materials. The legislation called for a faculty council, made up of faculty members from MnSCU, the U of M, and private colleges, to develop strategies for the use of open source materials and to assure quality control. It included money to pay faculty to review open source materials. The legislation was pulled from the agenda of the Senate Higher Education Committee last week after the U of M faculty said they did not want to be part of the council with MnSCU faculty—they want to do their own open source initiatives. The textbook companies were also fighting the legislation. It does not look like the legislation will proceed further this session. IFO supported the student legislation when it was heard in the House Government Operations Committee.

GOVERNOR DAYTON REVISES HIS BUDGET PROPOSAL HIGHER EDUCATION IS STILL A PRIORITY

By [Russ Stanton](#), IFO Director of Government Relations

Early in the session Governor Mark Dayton proposed an overhaul of the state tax system to solve the state's chronic budget deficit and to provide new revenue for investments in K-12 education and higher education. He proposed expanding the sales tax to clothing and some services and lowering the sales tax rate to 5.5%; lowering the corporate tax rate and closing corporate tax loopholes (special deductions and credits); increasing the cigarette tax; cutting individual property taxes by \$500; and raising income taxes by 2% on individual income of over \$150,000 and household income over \$250,000.

Dayton's proposal to apply the sales tax to business-to-business transactions ran into stiff opposition from the Chamber of Commerce and other business groups. Some DFL legislators backed away from the proposal. The February revenue forecast reduced the projected state deficit left over from last biennium from \$1.1 billion to \$627 million, which reduced some of the political pressure to raise taxes. In response, Dayton revised his budget proposals this week. He dumped the proposal to lower the sales tax rate and broaden the base, and he dumped the property tax rebate proposal for a less costly option. He eliminated the plan to lower corporate tax rates, but is still pursuing his proposal to close some major corporate tax loopholes.

Dayton is still putting forward his proposal to create a forth tier to the income tax that would only apply to income earned above \$150,000 for individuals and \$250,000 for households; the top tier rate would be increased from 7.85% to 9.85%. Dayton also stuck by his proposal to raise the cigarette tax to approximately the same as the Wisconsin rate.

The revised tax proposal dropped the amount of proposed new revenue from \$3.6 billion to only \$1.8 billion—which means his spending proposals also had to be trimmed back. The favorable news for higher education was the governor is sticking by his proposed \$240 million increase in funding for higher education—in fact he increased the amount by \$13 million.

The Governor's budget still faces tough sledding. Now that they defeated the business-to-business sales tax, the business community is focusing on defeating the tax increases on the top 2% of income earners. If that is defeated it will mean \$1.1 billion less in revenue to solve the deficit and make new investments in K-12 education and higher education—making it impossible to fund new investments. While the business community supports new spending for education, unfortunately they always fight the taxes necessary to make that spending possible.

LETTER OF UNDERSTANDING FOR CONTINUATION OF HEALTH CARE COVERAGE AND CHANGES IN THE HEALTH PLAN BENEFITS SCHEDULE EFFECTIVE APRIL 1, 2013

by [Pat Arseneault](#), Director of Grievances and Equity

The IFO entered into a [Letter of Understanding](#) with MnSCU in order to continue our health and dental insurance coverage in 2013 while our contract is making its way through the legislative approval process. The negotiated changes in our health care coverage can be found in [Article 14](#). There were no changes in our dental coverage for this contract.

Many of the details of our health care coverage, including the co-pays and co-insurance at each benefit level and the amount of deductibles, are determined by the negotiations between the coalition of unions representing state employees and the state of Minnesota. Last fall, the coalition bargaining sessions resulted in an agreement to raise co-payments and deductibles for all benefit levels, and to increase some co-insurance amounts at cost levels 2 and 3. This is the first time the health coalition agreed to raise the amounts that state employees pay in co-payments and deductibles since 2008. These [increases in the Health Plan Benefits Schedule](#) become effective on **April 1, 2013**. These negotiations are separate from bargaining that occurs between MnSCU and the IFO negotiating teams.

If your primary care clinic is not in lowest Cost Level 1, this may be a good time to consider switching to a primary care clinic in a more favorably-priced Cost Level. To change your primary clinic, call your health plan member services

number on the back of your member ID cards. At this time, you will NOT be able to change your health plan administrator (i.e., Blue Cross/ HealthPartners/ Preferred One). To find a new primary care clinic, click on the link to Minnesota Management & Budget's Directory of Providers below:

http://www.mmb.state.mn.us/insdir/provider_directory.aspx

If you have questions concerning primary care clinic and benefit changes, please contact the health plan administrator listed on your member ID card.

JOIN THE TEAM!

by [Donna Brauer](#), *IFO Academic Affairs Coordinator*

IFO is seeking a qualified university faculty member to serve in a **50% release time (12 credits/year) position as an Academic Affairs Coordinator for a two-year term** beginning July 1, 2013 through June 30, 2015. The other position is currently held by Dr. Donna Brauer (Mankato), whose two-year term ends June 30, 2014. [Full position description](#) is available on the IFO website.

To apply for this position, please submit a statement of intent that indicates your qualifications and background, the reason that you are interested in this position, and a current copy of your C.V. Please send these materials by email to Melissa Anderson (anderson@ifo.org) in the IFO office **no later than Monday, April 8th**. Applications will be considered by the IFO Board of Directors at the April 11-12 meeting.

ARE YOU SURE YOU ARE A MEMBER OF THE IFO?

by [Donna Blake](#), *IFO Controller*

Until quite recently, Minnesota Management and Budget (MMB) did not clearly identify union membership on paycheck notifications. They have changed their deduction designators, so the next time you receive a paycheck, please look to see how your union deduction is listed. If you see IFO FS, you are NOT a member. The FS designates that the deduction is a fair share fee. If you see IFO only, you are a member, and the deduction is your member dues. If you have any questions, please contact me at blake@ifo.org. To join instantly, please go to the home page of our website, www.ifo.org, and click on the "Become A Member, Join IFO" link at the top. Upon joining you will be mailed an IFO member ID card.

NELLIE STONE JOHNSON SCHOLARSHIP-APPLICATION DUE MAY 1ST

by [Nancy Black](#), *IFO State President*

Applications are currently being accepted for The Nellie Stone Johnson Scholarship, a labor and education partnership. The scholarship honors Ms. Johnson's distinguished record of public service in support of the advancement of minority concerns, the rights of workers, and equal opportunities for all people. To be eligible, a scholarship applicant must be a racial minority and a union member or be the child, grandchild, or spouse of a union member. The Scholarships, ranging from \$500 to \$2,000, are for students who will be attending a MnSCU tech or community college or state university in the fall of 2013.



Scholarships are given each year to students who enroll in two year, undergraduate or graduate programs. Scholarships may be renewed for up to two years for community or technical college programs, up to four years for students working toward a bachelor's degree, and two years for those enrolled in a master's program.

For more information and an application visit <http://www.nelliestone.org/scholarship-program> or call 651-738-1404 (Toll free: 866-738-5238). Applications must be received no later than May 1, 2013 to be considered.

CONTACT US

The IFO Faculty Update is published and distributed by the [Inter Faculty Organization](#). If you need to contact the Inter Faculty Organization, our mailing address is 490 Concordia Avenue, Suite 125, Saint Paul, MN 55103, or you can reach us by phone at 800/325-9644 or 651/227-8442. You can also send us an email by clicking [HERE](#).