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IFO PRESIDENT'S COLUMN: THE UGLY, THE BAD, AND THE GOOD

by [Don Larsson](#), *State President*

Good news? Where? Most of the news about public higher education in Minnesota and elsewhere these days is bad and/or ugly, but the good news is that the IFO is here working for Minnesota's state university faculty, for the integrity of our profession and our institutions, and for public higher education.

The **ugly news** is that Minnesota and even Wisconsin are certainly not alone in challenges to public higher education and state university faculty. Last month, the [Center on Budget and Policy Priorities](#) reported that 43 states have already made cuts to higher education that reduce faculty and staff and increase tuition. (The exceptions were Alaska, Delaware, Montana, New Hampshire, North Dakota, West Virginia, Wyoming, and the District of Columbia). **California** is already limiting new enrollments while cutting programs and raising tuition. Even more recently, **Pennsylvania's** Governor Corbett has proposed cutting fifty percent (that's right, 50%!) of the budget for 18 state or "state-related" institutions.

Worse yet, while we have been watching the unfolding political attack on public employees and public college and university faculty in **Wisconsin**, other attacks have been underway. Legislation is moving forward and likely to be passed in **Ohio** that would declare public university faculty members to be "management" and thus unable to unionize or bargain collectively. More budget cuts, tuition raises, and attacks on faculty are occurring in other states as well.

In Minnesota, the **bad news**—which Russ Stanton has been reporting through his Legislative Updates and his column below—is that just last week the majorities in the state House and Senate both set spending targets for higher education that are 16% below the statutory base funding level for the MnSCU system. The cut of \$411

million dollars from the higher education budget is more than double the cuts called for by Governor Dayton's state budget proposal, which itself was below the low budget target on which the Chancellor's Office had based its own budget request for MnSCU.

For the last two years at most of the state universities, we have seen retrenchment and lost faculty positions, closed programs, increased class sizes and reduced services. As bad and anguishing as these budget reductions have been, they have been the result of planning based on projected budget cuts that were still above the level of severity now being proposed by the legislative majority. Over a long period of time, Minnesota has shifted away from the state's promise (still on the legislative books) of funding the cost of higher education at two-thirds, with student tuition making up the other third. (Currently, the state's share has slipped to about 43% of total cost; tuition rises make up the difference.) Once again now, the state colleges and universities will be faced with three repugnant alternatives: increase tuition and shift even more of the burden to students, cut even more faculty positions and programs while increasing class sizes, and/or start placing hard enrollment limits at the campuses.

The **good news**—such as it is—is that for Minnesota state university faculty things could be even worse than they are. The official February 2011 state budget forecast for FY 2012-2013 (which is the one that state government is required to work with) set Minnesota's projected deficit at about \$1.16 billion dollars less than was projected last March. That still leaves a huge deficit of over \$5 billion for the state to deal with, though. It is also good news that the state's politically divided government is less likely to result in the kind of losses that public university and college faculty are experiencing in Wisconsin, Ohio and other states. Even so, public employees and state university faculty in Minnesota cannot be complacent; real threats are still lurking.

The **real** good news, though, is that the IFO is working for state university faculty and higher education in Minnesota. The IFO's lobbying efforts—including your letters and phone calls—have resulted in pullbacks and changes in some legislation that could have had even more negative impacts on our universities, on our jobs and careers, and on the ability of the IFO to keep representing our common interests. Through the IFO's efforts, the MnSCU system has been exempted from some pending bills that would otherwise freeze or cut almost all types of salary and other compensation for public employees or that would reduce the entire state workforce by a fixed percentage. (See Russ Stanton's recent Legislative Updates that you have received by email and his report below for further details.) The IFO has also testified along with the Office of the Chancellor that new legislative mandates on student credit transfer are unnecessary and potentially harmful to the goal of reducing unnecessary roadblocks to transfer while maintaining the academic value of our programs and degrees. We have also testified along with students to oppose a hard freeze on tuition raises. While the state student organizations understandably want to cap tuition raises, they realize that a hard freeze on tuition is also likely to hurt their education.

But there is a long way to go yet in the legislative session, and we have to be constantly vigilant. New legislators, and some experienced ones, are continuing to come up with new ideas for bills that are best unneeded and at worst deliberately harmful to faculty and higher education. Please keep watching for calls from Russ and the IFO to contact your legislators. Your words and support do have an impact!

More good news is in the ongoing work of your IFO Negotiations Team. (See the team's report, also below.) Your IFO negotiators are unpaid campus volunteers who put in many hours laboring over contractual details that are vital to our lives and work. In my three decades as a state university faculty member, I can recall only two times when a new contract had been signed and ratified before classes began in the new "contract term. At least once, negotiations took almost two years. It is more typical for months to pass before a new contract can be bargained, signed, ratified by the faculty and by the MnSCU Board of Trustees, and approved by the legislature and governor. That's all the more work for our volunteer negotiators. As the IFO and MnSCU are just beginning to start talking about the next contract, your negotiators deserve your thanks, your patience, and your support!

LET THE BUDGET BATTLE BEGIN!!

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

Republican Proposal

Last week the House and Senate Republicans released their proposal to balance the state budget without raising taxes. For higher education the news was devastating—the House and Senate are proposing a \$411 million (16%) from the base funding for all of higher education. That is on top of the cuts and Governor Pawlenty's \$100 million unallotment to higher education last biennium!

When asked by the House Higher Education Committee what the impact of a 15% appropriation cut would mean within the MnSCU system, Chancellor McCormick responded:

- If the cuts were done through staff reductions alone, it would mean a reduction of about 1000 full-time staff;
- If done through reductions in faculty alone, it would mean a reduction about 880 faculty (in addition to the reductions already done or in process). Laying off that many faculty would result in 9,200 fewer course sections, a reduction of 166,500 course registrations, and that would mean a reduction of 16,100 (FYE) student enrollment.
- If offset by additional tuition increases, it would take a 12% increase in tuition rates just to offset a 15% cut in appropriations.

Keep in mind—the Republican majorities are proposing a 16% cut—not a 15% cut!

The Dayton Budget Proposal

On February 15th, Governor Mark Dayton proposed a budget that calls for a balance of spending cuts and \$4.1 billion in tax increases to balance the budget and eliminate a \$6.2 billion budget shortfall that he inherited. In early March, after the state revenue forecast showed the state budget shortfall had shrunk to \$5 billion, Dayton dropped his proposed 3% temporary surcharge on high income Minnesotans, lowering his tax increase proposal to a \$3.1 billion increase. Dayton's plan cuts higher education by 6% from the funding base.

Dayton emphasizes that his tax proposals only raise taxes on the top 5% of income earners—95% of tax payers would get no tax increase at all.

A showdown is about to begin between the Republican controlled legislature, who pledged to balance the budget and solve the shortfall through cuts alone (in fact, House Republicans want to cut tax rates), and Governor Dayton who is carrying out his campaign pledge to balance the budget through a balance of spending cuts and tax increases. It will be an epic battle---and we have a large stake in the outcome.

Comparisons

Here is how the budget positions compare.

Current biennium higher education spending (including stimulus funding)	\$2,982,217,000
Base spending currently in law for next biennium	\$2,916,580,000
Governor Dayton's proposal for higher education	\$2,745,672,000
House and Senate Republican proposal	\$2,505,518,000

The Battle Begins in Earnest

Now that the legislative spending targets are set, the House and Senate higher education committees will meet to divide up the \$2,505,518,000 target among the U of M, MnSCU, and the Office of Higher Education (which handles financial aid for students). The committees must report out their bills by March 25th—I have heard the House committee will pass their bill on March 22nd, and the Senate committee will pass its bill on March 24th. Soon thereafter, the full House and Senate will likely pass their budget bills and send them to Governor Dayton—

who will likely veto them. Then the real negotiations begin between the Republicans in the legislature and the DFL Governor Mark Dayton. Right now it looks like a train wreck about to happen. Expect special sessions. State employee unions are beginning to prepare of a government shutdown. The months ahead will not be fun.

IFO Positions Regarding the Budget Battle

IFO supports solving the state budget shortfall through revenue increases (progressive taxes) first, then through cutbacks and accounting shifts. IFO believes the legislature should focus on funding the core mission of MnSCU—instruction, and that the appropriation cuts to the MnSCU central office should be at least the same percentage as the cuts to campuses for instruction. Here are the reasons why:

- If the MnSCU System is cut 16% it will bring our appropriation level down to \$529.6 million--\$20 million below what MnSCU received in FY1999—when it received \$549.9 million from the state. Since FY 1999 enrollment at MnSCU institutions grew from 106,827 (FTE) to 158,071 (FTE) ----that is 51,224 more students that MnSCU is educating with about \$20 million less dollars from the state. On top of that inflation has increased 28.2% since FY1999—with no state funding to cover it.
- IFO believes it is better to raise taxes on high income Minnesotans than to raise tuition on students. Minnesota income taxes are at their lowest rates in over 40 years. Between 1999 and 2000—the top income tax rate was dropped from 8.5% of income to 7.85%; the middle bracket rate dropped from 8.0% to 7.05%; and the bottom bracket rate dropped from 6.0% to 5.35%. The main reason why Minnesota has chronic budget shortfalls is really fairly simple—they cut the tax rates. Since 1999, the average amount a MnSCU student pays in tuition has increased almost 127%!!!! This is because, in the absence of state revenue—MnSCU used student tuition to cover the costs of enormous enrollment growth and a decade worth of inflation. Students tuition rates have gone up sharply—state tax rates, especially for high income Minnesotans, have gone down substantially.
- The tax proposals of Governor Dayton only tax the top 5% on income earners---who pay a smaller percentage of their income in state and local taxes than middle income tax payers. A 2007 study by former Governor Pawlenty's own Revenue Department indicated that while people earning \$47,000 to \$105,000 paid 12.3% in state and local taxes, those earning more than \$105,000 were paying only 10.9%. Ever since the recession began we have been admonished by legislators the “we all have to share the pain” of balancing the state budget. Fair enough, but students have suffered tuition increases, faculty have endured pay freezes and layoffs, health benefits for the poor have been slashed---but when are the richest Minnesotans going to share in the pain?
- A recent Georgetown University study indicated that between now and 2018, 70% of the new jobs in Minnesota will require a post secondary degree; currently only 48% of 25-34 year olds in Minnesota have a post secondary degree or certificate—we are falling short of meeting workforce needs and our economy will suffer from this shortage. The best strategy for economic growth is not more tax cuts for wealthy individuals—it is creating a well educated and productive workforce. Educated citizens pay more taxes and put less demand on public services. In 2009 the average unemployment rate of someone with only a high school education was 9.7%; for someone with a bachelor's degree it was only 5.2%. The average weekly earnings of a person with a bachelor's degree was 64% higher than someone with just a high school education.
- At a time when almost everyone agrees that post secondary education is the most important factor in global competitiveness, Minnesota's commitment to higher education is slipping badly. The legislative magazine “Session Weekly” recently reported that Higher Education was 15% of the state general fund budget in 1987. By 2011 it was down to 8.8%. Under the proposed budgets it would be down to 7.3% A 2010 ranking by Congressional Quarterly on state per capita spending on higher education showed Minnesota ranked 28th—behind North Dakota (2nd), Iowa (7th), Wisconsin (12th), and Michigan (14th). Minnesota was even below states like Alabama, Mississippi, and Arkansas!!

IFO HOSTS "LOBBY DAYS" MEETINGS WITH LEGISLATORS

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

Faculty association presidents and members of both the Government Relations Committee and the Academic Affairs Committee attended a Lobby Days event on March 2nd and 3rd.

On March 2nd the IFO hosted a dinner at the Minnesota History Center, at which they heard speeches from Senator Clair Robling, Chair of the Senate Finance Committee; Rep. Bud Nornes, Chair of the House Higher Education Policy and Finance Committee, and Dr. Sheila Wright, Director of the Minnesota Office of Higher Education. Following the talks, faculty engaged in extensive discussion with the speakers regarding the state budget crisis and the implication for higher education. Robling said the Senate Republicans were committed to an “all cuts” solution to the state budget shortfall, but she expected the bill to be vetoed. She said then the tough negotiations would begin. Wright, who is the Governor’s representative on higher education matters, lamented that the budget crisis is forcing cuts in higher education funding, but said the Governor is committed to holding the cuts to no more than 6%, and the State Grant Program would not be cut.

On March 3rd the faculty members had breakfast, and discussed issues ranging from funding, to retirement, to credit transfer with campus area legislators—about 25 campus area legislators attended.

Following the breakfast the faculty heard from Sen. Dave Senjem, Chair of the Capital Investment (bonding) Committee, as well as Senator Keith Langseth, discussed the possibilities of a bonding bill this year to fund some of the 16 MnSCU projects vetoed by Governor Pawlenty last year. Both senators agreed there would probably be a bonding bill passed before the session adjourned.

The faculty also heard talks from Rep. Tom Rukavina and Senator Sandy Pappas—the ranking DFL members on the House and Senate higher education committees. In addition, Rep. Lyndon Carlson, ranking DFLer on the House Ways and Means Committee and Sen. Terri Bonoff, Assistant DFL Leader in the Senate. All pointed out that without tax increases, the cuts to programs like higher education would be very deep.

IFO & MNSCU BEGINS INTEREST BASED COLLECTIVE BARGAINING

by [Brent Jeffers](#), *IFO Chief Negotiator* and [Jim Grabowska](#), *IFO Action Chair*

Active negotiations for the 2011/2013 collective bargaining agreement are under way with the MnSCU negotiating team. You may recall in the month of December, we agreed to participate in a negotiating process called “Interest Based Collective Bargaining” (IBCB), with an understanding that at some point in the future both parties would convert to traditional “positional bargaining.” IBCB is accompanied by required training facilitated by the Board of Mediation Services and to date both teams have participated in two weekend sessions. On the weekend of March 4th, each team exchanged their respective list of issues for consideration in the IBCB process and the next step is for the teams to determine if there are mutually agreeable issues for this process. In positional bargaining, items are negotiated, and if one side gives an item away, they generally receive something in return. In IBCB, the teams work together to brainstorm possible solutions to an issue of mutual concern; they collectively develop appropriate language, and come to a resolution to the problem. Although Interest Based Collective Bargaining can sometimes be a slow and involved process, we are at the table with the MnSCU team discussing meaningful language - a right our union friends in Wisconsin are seemingly about to lose. We are proud to announce both teams are engaged in negotiations and working hard together. Our next meeting for IBCB with the MnSCU team is scheduled for May 12th and 13th. Prior to that, on March 17th and 18th we will have an internal meeting for the IFO Negotiation Team to continue working for a settlement.

THE BATTLE IN WISCONSIN AND ITS IMPORTANCE TO PROFESSIONALS

by [Paul Harris](#), *Professor of History, MSU Moorhead*

The battle currently being waged in Wisconsin is just one front in a nationwide assault on public employees and

their unions. Bills proposed in the Minnesota legislature threaten to carry the fight here too, and there's no telling what the outcome might be. Organized labor has been in decline for so many decades that most workers in the private sector have never known the benefits that union membership can bring. Perhaps they can be excused for not appreciating the importance of protecting workers' rights, but I'm concerned that many IFO members don't appreciate it either. To them, the function of the union is simply to negotiate their compensation package, and when there's no money to bargain for, they don't see the point in having a union.

I've been reflecting lately on what IFO membership means to me, and I've come to the conclusion that, more than money, it's about professional respect. Most faculty, I suspect, don't make a connection between their professional identity and their union membership. They may even see the two as antithetical – maybe blue collar workers need unions, but they're not for true professionals. Attitudes like these could prove our Achilles heel in the coming fight.

What does it mean to be a professional? At bottom, professional status rests on a claim of expertise. Professionals take control of an occupation because they have made the case that people without their education lack the expertise to do the job competently. That expertise also allows them to claim a great deal of autonomy in their work. When I teach my course on African American history, for example, no one tells me how to teach it because no one around here knows the subject better than I do. And because I am a professional, I am always looking for ways to improve my teaching and enrich students' learning, drawing on years of classroom experience that is also part of my expertise.

My point is that the people who want to bust our union also do not respect us as professionals in these terms. They regard us as pampered obstacles to change, and one reason they want to get rid of unions in education is so that change can be imposed from the top down and we can be made to toe the line. What we regard as expertise, they dismiss as ideology. When we try to open students' minds to question conventional wisdom, they accuse of indoctrinating them with leftist propaganda. A new McCarthyism is not beyond the realm of possibility if such people get their way, but at the very least they would like to make us useful appendages of their business model.

The IFO is our voice at a time when loud, angry voices have grabbed the podium. If we lose that voice, what will be left of shared governance in the university? If we lose the protection of our contract, what will be left of our professional autonomy?

**UNITE! SHOW YOUR SUPPORT!
BECOME AN IFO MEMBER NOW AND SAVE!**

by [Cindy Christians](#), *IFO Membership Coordinator*

Formed by faculty in 1938, the IFO's core mission has never wavered - to defend the rights and improve the working conditions of the Minnesota state university faculty. Faculty who were hired to equip our state's workforce with the tools they need to lead us all into better days. In 1975, after PELRA was enacted by the MN legislature, IFO became the exclusive bargaining agent for the seven state universities. Since then, the IFO has standardized the procedures that govern your tenure, promotion, grievances, and economic benefits - just to name a few. Without a collectively bargained contract *and* a bargaining agent to defend it, your resources to handle any allegations of unfair or inequitable treatment would lie solely with the administrators (the ones responsible for the original decision).

Headquartered in the heart of St. Paul, the state IFO office is currently staffed with six dedicated in-house, and oft in-route to your campus, employees. Staff are given directives from faculty-approved Delegate Assembly resolutions that are carried out under the management of your faculty-elected President, Don Larsson, along with the Personnel Committee (your local faculty-elected association presidents). We also employ staff housed at the local faculty association offices. From defending your contract, lobbying for IFO legislative goals, to protecting your academic freedoms, IFO staff are employed to represent you in these important matters and [more!](#)

From the look of things, I think it safe to say that now, more than ever, the IFO must be united. If you are not already a member, consider uniting with your colleagues today. The more united we are the more secure we will

be! To make this an easier decision, we are making a special membership offer to those who sign-up now: **[Become an instant member today](#)** and **pay no dues for the remainder of the year**. In other words, your current fair share deduction of \$40.01 per check will not increase to the member rate of \$47.08 per check until the 2011-2012 academic year. Need other reasons why you should join your union today? Click [here](#)!

If you're not hearing enough about what the IFO is doing for you, I encourage you to frequent our [website](#) and read the monthly [Faculty Update](#) newsletter. It's our priority to keep you informed and put your goals into action! The IFO is "owned" by and in operation solely for you, the Minnesota state university faculty. **[Join today and show your support](#)**. Thank you!

"The labor movement was the principle force that transformed misery and despair into hope and progress. Out of its bold struggles, economic and social reform gave birth to unemployment insurance, old-age pensions, government relief for the destitute and, above all, new wage levels that meant not mere survival but a tolerable life. The captains of industry did not lead this transformation; they resisted it until they were overcome. When in the thirties the wave of union organization crested over the nation, it carried to secure shores not only for itself but the whole society." - Martin Luther King Jr. at Illinois AFL-CIO, October 7, 1965

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 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 send us an email by clicking [HERE](#).