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IFO PRESIDENT'S COLUMN: Your Voices, Our Universities, Our Futures

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

Welcome back, Colleagues, to the 2011-2012 academic year from a long, hot summer—not only from Minnesota’s record high temperatures and humidity. There has been political heat—some of it with deadly results—in the Middle East and North Africa. The political heat in Minnesota, which resulted in the longest shutdown of state services in the state’s history, seemed to be a reflection of Washington’s political heat, as politicians risked allowing the federal government to default on its debts for the first time in recent history. And, for the past week, the stock market has been jumping up and down like a person with both feet on fire.

We know that Minnesota will be cool enough in a matter of weeks, but the political scene is not likely to get cooler, and no one wants the economy to cool back to 2008 levels. Coming back to our offices and classrooms, we also know that we cannot escape the political heat around us. That much was clear enough this last year, when Minnesota’s legislators threatened at one time or another to slash deeply into MnSCU’s budget, to require massive layoffs and pay cuts, and to dictate blanket transfer policies that would take academic decisions out of faculty hands.

The worst of those efforts were turned back, however. Credit certainly has to go to Governor Dayton for refusing to agree to such drastic measures. Credit also belongs to MnSCU’s outgoing Chancellor James McCormick, to the Chancellor’s staff and to Board of Trustees Chair Scott Thiss for helping to persuade the Governor that MnSCU’s colleges and universities should be able to continue educating students during the state shutdown. But a huge amount of credit has to go to Russ Stanton, the IFO’s Director of Government Relations. Russ was constantly busy during the legislative session and through most of the summer, calling and visiting legislators and other key policymakers to work on behalf of the state university faculty, the system, and public higher education. See Russ’s column, below, for details about the results. As painful as the state budget situation continues to be, it would have been far worse without Russ’s efforts.

And it would have been far worse without **your** efforts, **your** phone calls, **your** emails, **your** attendance at Capitol

hearings and town hall meetings. We who work in St. Paul represent the IFO, but the IFO is its members, each of **you**. The evidence is clear that when IFO faculty speak, we are heard!

It will be a year and a half (and a state election in 2012) before the next state budget will have to be passed, but the IFO will still need to make its voice heard. Here are some key developments that will need our full attention:

A New Chancellor for MnSCU

On August 1, Dr. Steven Rosenstone succeeded James McCormick as Chancellor of the Minnesota State Colleges & Universities. We expect that Chancellor Rosenstone will be an energetic and articulate advocate for the system and for public higher education, and it is encouraging that one of his first acts was to ask MnSCU's faculty and other employees for our ideas. But it is the IFO that will have to weigh the ideas that the Chancellor brings forward and measure their effect on the terms and conditions of our employment. If you have sent your ideas to the Chancellor and are willing to share them, please send a copy to me at larsson@ifo.org.

A New Contract To Be Negotiated

The IFO and MnSCU have yet to finish agreeing to and ratifying a contract for 2011-2013. (In the meantime, the 2009-2011 contract remains in effect.) But the negotiation process is at work. Since last spring, both sides have been meeting in sessions for "interest-based bargaining" (IBB), where both parties work toward addressing common issues. IBB can be a slow process, but it has been a positive one. For more on negotiations, see the column below by the IFO's Chief Negotiator, Brent Jeffers (Southwest Minnesota State University).

Students First and Smart Transfer

This coming year will see the rolling out of two major priorities from the MnSCU system. One is "Students First," an online "one-stop" center that is supposed to aid students in finding college and university programs, enrolling in them, and working toward graduation. This ambitious program has been strongly supported by the student organizations, and anyone can see why students would want it. But to work at all, let alone work well, it needs the continued critical attention of faculty and other university staff who understand its potential strengths—and its potential weaknesses as well.

"Smart Transfer" is the result of a Board of Trustees policy that requires all colleges and universities to place on their websites all course outlines, including student learning outcomes for these courses. Since its founding, rumors and anecdotes of "transfer problems" have driven the MnSCU system. "Smart Transfer" policy has the potential to put rumor and anecdote in their place and actually be of use, if done well over a period of time. That's a big "if," though, and will also require faculty attention and input.

A New Academic/Student Vice Chancellor To Be Chosen

After a year of service as Interim Vice Chancellor for Academic and Student Affairs following last summer's resignation of Senior Vice Chancellor Linda Baer, Scott Olson returns to his previous position as Provost at Minnesota State University, Mankato. A search is now on for a new full-time Vice Chancellor. Don Larsson is serving on the search committee for this position. In the meantime, Larry Litecky, who has a long record of service with college faculty and in MnSCU administrative positions, is serving as the new Interim Vice Chancellor. The IFO welcomes Vice Chancellor Litecky and looks forward to continuing the positive working relationship that we had with Vice Chancellor Olson.

IFO Faculty Staff Changes

Tom Hergert (who served last year as Faculty Association President at St. Cloud State University) has replaced Jim Grabowska (who is now Faculty Association President at Mankato) as **IFO Action Coordinator**. This position was redesigned last year by the IFO Board of Directors, and you will be hearing more from Tom as the year progresses.

Nancy Black (Metropolitan State University faculty member and former IFO state President) has returned to the IFO state office as **Academic Affairs Coordinator**, a position that she shares half-time with **Donna Brauer** (Mankato), who is also continuing in that role half-time.

Delegate Assembly Reminder

Finally, a reminder that on March 23-24, 2012, the IFO will hold its biennial Delegate Assembly, which is the union's main governing body. Watch for further details about how to become a delegate, how to propose the resolutions that will guide IFO operations and negotiations, and participate directly in the governance of **your** union.

I wish you all the best for the coming academic year, hope that you will let us know what is and is not working for you, and know that you will continue to share your time, your intelligence, and your commitment to our students and public higher education in Minnesota.

THE 2011 LEGISLATIVE SESSION - THE WORST EVER!

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

On July 19th, after a failed regular session, months of negotiations gridlock over the state budget, the longest state government shutdown in Minnesota's history, and a special session that worked through the night to pass a budget compromise, the legislature finally adjourned. The outcomes were terrible for the state as a whole, and especially bad for higher education. While we had many "successes" this session, most of those successes involved either blocking legislation that would have harmed public employees, or reducing the size of the cuts to higher education.

The Politics of Gridlock

The dynamics of the 2011 legislative session began with a Republican surge in the elections last fall. For the first time since the 1970 election, Republicans captured control of both the Minnesota House (by a 72-62 margin) and Senate (by a 37-30 margin). Newly elected Republicans dominated the majority caucuses; in the Senate, 21 of the 37 member Republican caucus were new. They brought with them a "Tea Party" ideology of sharply reducing government programs and opposing taxes of any kind— but particularly on wealthy individuals. The Republican caucuses elected new leaders who had never even chaired a committee or carried a major piece of legislation.

At same time, voters elected a new governor, Mark Dayton—the first DFL governor in 20 years. After a long recount Dayton prevailed over Republican Tom Emmer, and took office to face a \$6 billion deficit and a hostile legislature. Dayton had won election promising to resolve the deficit through a balance of budget cuts and tax increases on the highest five percent of income earners.

The stage was set for conflict and stalemate.

Attacks on Public Employees

Within the first month of the session, it was evident that this was not going to be a good session for either public employees. Numerous bills attacking public employee's compensation and job security were introduced. The measures called for, among other things:

- Freezing state employee salaries indefinitely;
- Cutting the state workforce by 15%;
- Replacing the state employee health plan with a \$5000 deductible/\$10,000 out-of-pocket HSA plan, with the employee premium contribution going from 0% employee/15% dependent to 100% employee paid premium for both the employee and dependents;
- Increasing the employee contributions to TRA by 3% and reducing the employer contributions to TRA by 3% --essentially a 3% cut in employee pay without going through bargaining;
- A constitutional amendment to make Minnesota a "Right to Work" state—meaning bargaining unit members that didn't join the union would not have to pay fair share dues for the cost of negotiating and enforcing the contract, even though they benefit from the contract; and
- A performance pay scheme where 5% of an employee's current pay would be withheld if they did not get a satisfactory performance rating.

Fortunately, thanks to a lot of faculty involvement through e-mails to legislators, letters to the editor, guest editorials, attending hearings and rallies, etc., we were able to get faculty exempt from the pay freeze, 15%

workforce reduction, and performance pay legislation. Facing vigorous opposition from public employees, the 3% shift in pension contributions was tabled for further study. The high deductible HSA legislation was dropped, and eventually all of the legislation to cut health benefits was dropped altogether. The constitutional amendment for the “Right to Work” was heard a couple of times, but facing strong labor opposition, the Republicans decided not to push the issue (frankly, they didn’t have the votes).

Deep Cuts to Higher Education Funding

On budget side, legislators opposed Governor Dayton’s proposed tax increases on high income individuals and set about proposing a “cuts only” solution to the states budget shortfall. MnSCU was hit very hard by the proposed cuts. The legislative “base” or starting point for MnSCU was \$630.5 million per year. Actual state funding for MnSCU for last year was \$605.5 million. The Governor proposed \$592.5 million per year for MnSCU. The House passed a \$529.8 million per year appropriation for MnSCU—the Senate a \$546.8 million appropriation. To add insult to injury, some legislators proposed freezing tuition, making it impossible to cushion the appropriation cuts by raising tuition. IFO led the charge against the tuition freeze—a 5% per year tuition increase raises about \$120 million for MnSCU campuses.

The final House/Senate compromise bill on higher education appropriated \$540.5 million to MnSCU—a 14.1% reduction from the previous year. It brought state appropriations for MnSCU back below FY1998 funding levels—even though MnSCU enrollments have grown by over 51,000 FYE students since 1998. The bill did not freeze tuition, but capped it at 3% per year at state colleges and 5% the first year and 4% the second year at state universities. The U of M was hit even harder—they suffered an 18.9% reduction in funding, and restrictions were placed on stem cell research at the U of M. The higher education bill along with nine other budget bills were presented to the Governor in the final days of the session and all of the budget bills except the agriculture bill (which is about 1% of the total budget) were promptly vetoed by the governor.

A Failed Session, Failed Budget Negotiations, and a Government Shutdown

In the final days of the 2011 regular session, everything collapsed. On May 17th, the legislature hit the constitutional deadline for adjournment of the regular session without reaching an agreement with Governor Dayton on the budget. The final night of the session was marked by rancor and massive protests at the Capitol. The legislature failed to pass a capital bonding bill for state building projects, or a pension bill.

Late May and the month of June were characterized by fruitless negotiations between the Governor and legislative leaders to reach a budget compromise, while unions made preparations to keep health insurance coverage and pension benefits in place during the shutdown, and the courts were flooded with motions by parties seeking to be declared “essential” under the constitution so their funding could continue.

The most important development in June for faculty is that Governor Dayton agreed that MnSCU officials could use system reserves and tuition revenues to keep operating in case of a shutdown. This meant no layoffs of employees at MnSCU institutions and paychecks and benefits could continue during the shutdown. It also meant that both summer session and preparations for fall semester could proceed as planned. Fortunately, no one challenged the Governor’s position on this matter.

In budget negotiations, the Governor first offered to apply his proposed tax increase to only the top 2% (instead of the top 5% as he had originally proposed); when he got no agreement from Republicans, he then proposed to only apply the tax increase to persons making over \$1 million per year (the top 3/10ths of 1% of income earners). The Governor wanted the revenue to reduce the size of the cuts to higher education and for human services. The Governor also insisted that all policy issues (the pay freeze, the 15% reduction in workforce, and the stem cell research restrictions) be removed from the budget bills. Republicans made it clear they would not support even one penny of tax increases on high income earners. They proposed instead to borrow money against future tobacco settlement funds, and to shift more of the school aid payments to into the next fiscal year to balance the state’s books. When Republicans started adding policy changes to their demands, negotiations blew up. On July 1st the state went into what would become the longest shutdown in state history.

An Agreement No One Likes, and a Special Session

Finally, in mid-July, the Governor blinked; he offered to drop his tax proposals completely and accepted the Republicans' last offer to raise revenue by shifting 40% of the payments to school districts into the next academic year, and issuing \$700 million in bonds that will be repaid using expected tobacco settlement payments in future years. As part of the deal, the Republicans agreed to drop the policy issues from the budget bills, and to increase higher education funding by \$60 million (MnSCU got \$10 million more and the U of M got \$50 million more—essentially equalizing the funding between the two systems) over what the legislature originally proposed. MnSCU will receive an appropriation of \$545,334,000 for each of the next two years (a 13.5% appropriation cut). The U of M's cut was 15.1%, and the restrictions on stem cell research were dropped. The caps on tuition at state universities were dropped completely, and the caps at two year colleges were set at 4% per year.

A special session was called and the budget agreement was passed. In addition, the legislature passed a \$531.4 million capital bonding program, and a pension bill. In the bonding bill, St. Cloud received \$42,344,000 for an Integrated Science and Engineering Facility. Moorhead received \$14,901,000 for the Livingston-Lord Library and Information Technology Center. Metro received \$3,444,000 to acquire land and develop plans for a Science Education Center. MnSCU as a whole received \$30 million of Higher Education Asset Preservation and Replacement (HEAPR) funding to fix roofs, replace heating and cooling systems, etc.

Summary

In the end, we dodged a lot of bullets this session. Unlike Wisconsin and Ohio, we survived with our health care, retirement benefits, and collective bargaining rights intact. We escaped the performance pay legislation and workforce reduction mandates. We killed the tuition freeze legislation and the state universities escaped the tuition caps. If MnSCU raises tuition 5% each year, we should have almost as much tuition and appropriations total as we had last year. And we made some gains in the capital bonding bill.

We learned some important lessons this session about the value of unions and the power we can have when we mobilize and get engaged.

But we still lost a lot this session—MnSCU appropriations will be about \$60 million less for each of the next two years, and students will end up filling in the difference with higher tuition. The legislature apparently would rather raise tuition on students rather than raise taxes by even one penny on people earning more than a million dollars per year. Our institutions will continue to be anemic as they are forced to “eat” over a decades worth of inflation and enrollment growth. We still face a tough round of bargaining with little money on the table.

Worst of all, it is not over. The same legislators will be back in St. Paul next year, and will undoubtedly be proposing the same kinds of legislation. The budget shortfall was only partially solved by schemes that will leave the state deep in the hole at the start of the next biennium—they just kicked the can down the road.

The only good news is that, due to redistricting, all 201 legislators will be up for election next year.

Negotiating Team Signs First Tentative Agreement

by [Brent Jeffers](#), IFO Chief Negotiator

Despite the Minnesota state government shutdown and budget uncertainties, the IFO Negotiating Team has been at the bargaining table working hard this summer. This work has yielded the first of what we expect will be a number of tentative agreements en route to a new contract. In July, the parties agreed to expand the permissible uses of Professional Study and Travel (19B) monies to permit the purchase of emerging technologies such as Kindles and iPads. MnSCU has been refusing to allow such purchases with 19B funds because MnSCU takes the position that 19B funds may not be used to purchase "hardware", and the administration classifies such devices as "hardware." Under the new language, faculty will be allowed to spend their 19B money on such technology, provided that the devices are consistent with the five criteria in Article 22 and with a faculty member's professional development plan. The tentative 19B agreement will also reinforce the IFO's long-standing position that these monies are to be used for faculty professional development, not to back fill for declining university equipment budgets. Finally, the

agreement clarifies that all tangible assets purchased with 19B monies are the property of the university, **not** the individual faculty member. **Note that the 19B tentative agreement as with all tentative agreements will not become effective until the final contract is ratified; faculty therefore will not be able to take advantage of the expanded 19B opportunities until then.**

The parties reached additional tentative agreements at their August 11-12, 2011, meeting. After those agreements have been shared with the MnSCU Board of Trustees and the IFO Board, we will report the details with our membership.

Our next negotiating session with MnSCU is scheduled for September 16th and 17th. Additional meeting dates have been scheduled every month through December.

SALARY REVIEW UPDATE

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

Article 11, Section I of our collective bargaining agreement with MnSCU provides for an Annual Review of the initial salaries of new hires, to be conducted by a joint union employer committee called the [Salary Review Committee](#) ("SRC"). The SRC reviews the initial salary of every (non adjunct) faculty member to ensure that each faculty member received an appropriate minimum placement on the salary schedule. The SRC recently completed the Annual Review of new hires for FY08 (academic year 2007-08) and FY09 (academic year 2008-09). If you have a question as to whether you were part of the FY08 or FY09 new hire review, please consult the [list of faculty new hires reviewed by the SRC, on the IFO website](#). If you believe you were omitted erroneously from the review, you may contact [Pat Arseneault](#). The SRC will continue with the annual review process as soon as committee vacancies for the coming year have been filled and we can schedule times to meet.

Article 11, Section I also provides that the campus annually review the salaries of faculty who were awarded new terminal degrees and the salaries of newly promoted faculty. Faculty who were promoted effective this fall were recently reviewed by the campus to determine whether your salary will be increased additional steps beyond the two step increase provided for in Article 11, Section B, subd. 2. Following the campus review, newly promoted faculty received or will receive a letter from the administration advising you of your salary placement upon promotion. Your campus decision regarding your salary placement upon promotion will ultimately reach the SRC for review. The timetable for the SRC's review of newly promoted faculty has not been established at this time.

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](#).