

The UPDATE

*Newsletter for the
faculty of the seven
Minnesota state
universities.*

Fiscal Year 14- No. 11
May-2014

Bemidji ♦ Mankato ♦ Metropolitan ♦ Moorhead ♦ Southwest ♦ St. Cloud ♦ Winona

**PRESIDENT'S
REPORT**

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Faculty Members Voice Increasing Concerns

BY NANCY BLACK, IFO PRESIDENT, black@ifso.org

It is on a discouraging note that I am ending my third term as president of the Inter Faculty Organization. For me, one of the most enjoyable parts of my responsibilities has been having the opportunity to meet so many extraordinarily hard-working, talented and dedicated faculty, as well as working with the IFO staff. In the past, I have been gratified to receive e-mails and other communications from you—my colleagues; but unfortunately, this academic year the tone and content of them stands in sharp contrast to other years. The IFO state office has been inundated with a barrage of e-mails from unhappy faculty who feel disrespected and largely ignored by Chancellor Rosenstone and the System Office. It is my unenviable duty to attempt an explanation of the current state of affairs to you.

At the last IFO Board of Directors meeting on April 11, 2014, in response to increasing concerns voiced by facul-

ty members, the Board directed me to inform Chancellor Rosenstone of the extremely low faculty morale and the possibility of discussions of “no confidence” on the seven state university campuses. After he and I had a conversation, we agreed that we would have a discussion session on April 25, immediately following Meet and Confer. Our discussion covered the breadth and depth of disappointment we are encountering on many campuses especially cutting student programs and courses. The Executive Committee laid out specific concerns such as deep reductions at Minnesota State University, Moorhead that resulted in losing a faculty line in every department but two. Southwest has been forced to eliminate the BS in chemistry (in the age of STEM), and minors in German, French and Spanish. The Chancellor has been silent on enrollment decline and the frantic pace of reduced course offerings at that institution. Among other serious issues, Incoming Presi-

dent Jim Grabowska pointed out that the recent Mankato arbitration ruling in favor of the faculty grievant reflected the systemic problems that have led to decline in faculty morale.

The Chancellor did not respond to us at that time, but said that some of the concerns he had heard before while some were new to him. In a brief e-mail to me on April 25, he acknowledged that the meeting on these serious concerns was long overdue. On May 16, on behalf of the IFO Executive Committee, Jim Grabowska and I wrote the chancellor asking for his reflections on the issues we had brought up and action that would take place. We assured him that we wanted to work together to address them. The MnSCU Board of Trustees was copied on this two-paragraph letter.

Chancellor Rosenstone’s response to the Inter Faculty Organization, which also went to the MnSCU Trustees, follows:

May 20, 2014

Nancy Black, Ph.D.
Inter Faculty Organization
490 Concordia Avenue, Suite 125
St. Paul, MN 55103

James Grabowska, Ph.D.
MSU, Mankato
309 Wigley Administration Center
Mankato, MN 56001

Dear Nancy and Jim,

Thank you for your letter of May 16, 2014. I am sorry I did not get back to you sooner – I was out of town the last few days to attend my daughter's commencement.

As mentioned in my e-mail to you on April 25, I appreciated the opportunity to meet with you and your colleagues, and I agree with Nancy's observation that the conversation was long overdue.

Since our meeting I have met with the university presidents to share with them the concerns you raised with me, and I will be briefing the two new university presidents when they take the helm on July 1.

I trust that you not only understand but support my focus over the past few weeks on the legislature. It was imperative that we secure the supplemental appropriation necessary to enable us to settle your contract with base salary increases rather than one-time money. I also wanted to ensure that the final bonding bill included projects for each of our universities. I am pleased to report that we were successful on both fronts. We received a supplemental appropriation of \$17 million in on-going base dollars, and every state university has at least one project that will receive much needed bonding money.

As you know, I received a number of emails from your colleagues expressing frustration with the pace of negotiations. I share that frustration and sincerely hope that now, with the addition of supplemental base funding, we can quickly reach a contract settlement.

Mark Carlson, John O'Brien, and I have each reached out to Jim both to congratulate him on his election and to propose getting together to explore how we might use your natural transition in leadership to "reset" to the best of our ability how we work together.

I sincerely believe that dialogue about the concerns you raised will be far more fruitful if it is in the context of a new, more productive way of working together. Mark, John and I are all committed to this reset and to working with Jim to build a stronger relationship for the years ahead.

I look forward to following up on my earlier email and finding a time for that conversation to begin.

Best wishes,



Steven Rosenstone

c: John O'Brien
Mark Carlson

Chancellor Rosenstone's letter of May 20, 2014, makes it clear that he does not know how to work productively with faculty within a union environment, especially the Inter Faculty Organization. He does not seem to realize that there will be little, if any, "reset" in how the IFO leadership and MnSCU interact when President-elect Jim Grabowska officially begins his duties on July 1, 2014. The IFO President serves to carry out the wishes of the faculty as put forth at our Delegate Assemblies and through local IFO committees and leadership; we are a democratic organization that represents faculty views on the seven state university campuses. His statement that the dialogue about low faculty morale concerns that were raised at our meeting on April 25 "will be far more fruitful if it is in the context of a new, more productive way of working together," reveals his ignorance of how our organization has always operated

and will continue to operate.

In my three to five allotted minutes for a faculty presentation to MnSCU Board of Trustees, I specifically asked Chancellor Rosenstone what he meant by this statement. I received no response. I also respectfully reminded the Chancellor and the Trustees that in my three two-year terms (2005-2008, and 2012-2014), I have worked with our Negotiating Teams to settle contracts, to help navigate their ratification, and have enforced four contracts, more than twice as many as any other IFO President. It might have been five signed contracts, if under his leadership his negotiators were given more encouragement to settle with the faculty unions (please see Brent Jeffers' article on Negotiations). At this time, more than 9,000 teaching faculty represented by the Minnesota State College Faculty and the Inter Faculty Organization have been without con-

tracts since June 30, 2013. Our compensation remains below the 50th percentile nationally, and well below some universities. I am reminded of former President Rod Henry's maxim, "Together we bargain, separately we beg." Our letter requested to know what specifics he will be taking to address low faculty morale that is much more than not having a settled contract. We will be watching carefully.

It has been a privilege and an honor to serve as your president. Your dedication to students and all citizens of Minnesota often illustrates that you consider your teaching and scholarship more as a calling rather than just a professional position. I am proud to have had this opportunity to work with you, and have no doubts whatsoever that President Grabowska will lead this organization effectively and well. Thank you.

LEGISLATIVE UPDATE

2014 Session Wrap Up

BY RUSS STANTON, GOVERNMENT RELATIONS DIRECTOR, stanton@ifo.org

On May 16th the 88th legislature adjourned sine die and went home three days early, ending one of the most productive terms in Minnesota history. Below is a summary of the gains for MnSCU and the IFO during the 2014 session.

Appropriations

The legislature added \$17 million more in state appropriations for FY2015 to cover compensation costs associated

with settling the faculty contracts. They increased MnSCU's base for the next biennium by \$34 million. This money is on top of the \$103 million increase the legislature provided to MnSCU in 2013.

Bonding

The legislature passed an \$893 million bonding bill to improve state infrastructure, supplemented by a cash appropriation of \$199 million. MnSCU received \$159,812,000

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from the bonding bill. For state universities, the major gains were:

- \$35,865,000 for Metro State to construct and equip a new science education center
- \$13,790,000 for Bemidji State to design, renovate, furnish and equip Memorial Hall and Decker Hall; to demolish Sanford Hall; and to design the demolition and replacement of Hagg Sauer Hall
- \$25,818,000 for MSU-Mankato to construct, furnish and equip a new clinical science building
- \$5,902,000 for Winona State University to design, renovation, remodel, furnish and equip classrooms for the Education Village project
- \$865,000 to St. Cloud State University to design the renovation of Eastman Hall
- \$42,500,000 system wide for MnSCU for Higher Education Asset Preservation and Replacement (HEAPR), which covers items like roof replacements, heating and air conditioning upgrades, electrical upgrades, etc.

Retirement

The Omnibus Pension Bill that passed in the final days of the session contained three pieces of legislation initiated by the IFO:

- The law authorizing the MnSCU Board to offer Board Early Separation Incentives (commonly known as BE-SI's) was extended from June 30, 2014 to June 30, 2019.
- The June 30, 2014 sunset on the law allowing newly tenured faculty a second opportunity to choose between the IRAP and TRA as their basic retirement

plan was repealed, so this is now a permanent option under the law.

- The limitation on the maximum amount a faculty member can earn without penalty while participating in the Annuitant Employment Program (AEP) was increased from \$46,000 per year to \$62,000 per year.



Speaker Paul Thissen raps the gavel during a vote on the final day of session May 16th. - Copyright Minnesota House of Representatives. Photo by Paul Battaglia

In addition, the legislature merged the Duluth Teachers Retirement Fund Association, which is only 58% funded and is going broke, into the statewide TRA. The IFO supported the merger, contingent upon the legislature providing enough funding so that the statewide TRA funding did not become diluted by the merger. The legislature did provide such funding—\$14 million per year for the next 24

years—so members of TRA will not be harmed by the merger.

Public Employee Relations Board

A bill initiated by IFO and supported by all the major public employee unions, passed the legislature and was signed into law by the governor. The bill would create a Public Employment Relations Board (PERB) under the Bureau of Mediation Services. The Board would handle Unfair Labor Practice (ULP) charges administratively, replacing the current practice of handling ULP charges through the district courts.

The Minnesota Public Employee Labor Relations Act (PELRA) lists unfair labor practices by employers and unions. The current process of bringing charges through district court is very expensive, cumbersome and time consuming. Individuals or organizations bringing charges need to hire attorneys, with typical costs between \$50,000 to \$75,000, and it can take years to get a decision. This

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makes the current process of going through the courts prohibitively expensive for individuals, small unions, and even small public employers.

When a ULP is handled administratively, the party bringing the charges does not have to have an attorney, and typically it costs around \$5,000 to bring a charge. In states that use an administrative system like this, most charges are either settled or dismissed for lack of merit at the investigative stage—before they even go to a hearing. The timelines are also much quicker than the district court processes.

What Didn't Become Law

Sometimes our most important accomplishments are measured by what didn't become law. Here are several examples:

Diverting Financial Aid to Students at Expensive Schools

Current law requires that if there is a surplus in the State Grant Program for students, the surplus will be used to raise the Living and Miscellaneous Expense (LME) allowance for all state grant recipients—which benefits all state grant recipients equally, regardless of whether they attend MnSCU institutions, the U of M, or the private colleges. Because of federal changes, the State Grant Program now has about a \$20 million surplus. This session private colleges, with the support of the Office of Higher Education,

tried to instead use part of the surplus to increase the tuition recognition maximum under the State Grant Program from \$13,000 to \$13,620. This would have only benefited students at expensive private colleges and the U of M, since MnSCU tuition is far below the cap.

IFO opposed raising the tuition recognition cap and supported keeping the law the same. In the end, the law was not changed, the cap was not raised, and the surplus in the State Grant Program will be used to raise the LME for all recipients by an estimated \$590 per year.

Repealing Reductions of Administrative Costs

At the beginning of the session, MnSCU proposed repealing a 2013 law that requires them to cover funding insufficiencies to cover program or labor contracts by reducing administrative costs. IFO opposed the repeal, and the repeal did not happen.

Eliminating Distinctions Between Types of Two Year Institutions

As part of its “unsession” package, MnSCU proposed eliminating the statutory distinctions between community colleges, technical colleges, combined community technical colleges, and two year centers by naming them all “state colleges.” IFO opposed the change and it was dropped before the session even got underway.

CONTRACT NEGOTIATIONS

A Deteriorating Relationship

BY BRENT JEFFERS, CHAIR OF THE IFO NEGOTIATING TEAM, jeffers@ifo.org

In January, 2009, at the beginning of the economic recession, the IFO proposed and MnSCU accepted a status quo contract that extended the 2007-2009 Master Agreement through 2011 and essentially instituted a 2-year pay freeze. The other public unions soon followed our lead. Sacrificing increases in compensation because of the financial situation facing the state of Minnesota and the MnSCU System was the right

thing to do. Chancellor McCormick recognized our sacrifice and understood this as a goodwill gesture from the labor side of the bargaining table. We then spent 2 years negotiating the 2011-2013 contract with 19 of those

CONTRACT NEGOTIATIONS

(Continued from page 5.)

months in a collaborative problem-solving method of bargaining called Interest Based Collective Bargaining (IBCB).

We believed that at the beginning of negotiations for the 2013-2015 contract, the relationship between the MnSCU and IFO negotiating teams was affable. Therefore, the IFO was expecting to move quickly to a settlement when we presented our opening proposal on September 20, 2013; however, the MnSCU Team was not prepared to offer the faculty an acceptable compensation package. We later learned that the Office of the Chancellor wanted the IFO to join the MnSCU lobby effort to remove a rider in the higher education appropriations that first requires reductions in the system office or the campus administration before any cuts are made to programs or services that directly impact students. This rider language was proposed by Gene Pelowski, Chair of the House Higher Education Committee. We do not believe it is in the IFO's best interest to support rider language that attempts to reduce the cost of administration nor is it in our best interest to oppose the chair of the House Higher Education Committee. Since December 2013, the MnSCU Negotiating Team has refused to put adequate money on the table for compensation increases, they have repeatedly cancelled scheduled negotiations sessions, and they expect serious concessions. Needless to say, the relationship at the bargaining table has deteriorated.

When the AFSME and MAPE unions

reached a settlement last summer, they bargained away higher premiums in the State Employee Group Insurance Program (SEGIP). Because both AFSME and MAPE contracts have automatic steps for years of service the reported 3% and 3% in each year of the biennium is actually an increase over two years of 6.37% for AFSME and 6.87% for MAPE. As part of the state health plan (that we must bargain collectively with the other public unions), the IFO has already given up a benefit, with nothing in return for the 6.3%-6.9% increased compensation in the AFSME and MAPE contracts. In addition, the MSUAASF bargaining unit reached a tentative settlement agreement on May 23, 2014 for a total increase between 8%-9%.

On Thursday, May 22, 2014, the MnSCU and IFO Negotiating Teams met from 9:00 am until 11:00 pm without reaching a settlement. The differences between the two sides have been reduced to approximately 3 million of new dollars to the base allocation and some language items. The last offer by the IFO fits within the range of settlements for other state employee unions but the MnSCU Team was unable to move without further concession from the IFO. There were three factors that prevented a settlement; First, your Negotiating Team has taken the position that faculty have already paid for a 6.3%-6.9% increase as a result of the changes in health insurance and, therefore, we deserve at least that much increase with no further concessions; second, the other unions settled last summer



Brent Jeffers, IFO Chief Negotiator

and we have been made to wait while MnSCU has essentially refused to bargain (this delay is worth something); and, third, the last offer from MnSCU includes two language items that would allow the administration to staff replacements with adjuncts before full-time faculty are offered overload, such language undermines a recent arbitration award.

At this time we have not scheduled future negotiating dates, and as much as we would like to get the long-awaited back pay into the pockets of our members and move forward, it is not possible for us to ratify any contract since spring duty days have ended and many faculty are off duty. MnSCU was well aware of this deadline.

The Negotiating Team thanks the membership for their continuing support and to everyone that wrote letters expressing their frustration with the MnSCU lack of leadership.

JOIN TODAY

To join the union, you can sign up instantly by using the convenient online membership application found on the membership webpage www.ifo.org/membership-information, or by clicking on the “Join IFO” link at the top of the home page www.ifo.org. To check on the status of your membership, contact Donna Blake at blake@ifo.org.

CONTACT
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