

Inter Faculty Organization

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NOTES FROM THE PRESIDENT

by [Roderick Henry](#), IFO President

CONGRATULATIONS

I want to congratulate Don Larsson on his election as President of the IFO. Both Don and his opponent, Roland Specht-Jarvis, had good campaigns that discussed many of our faculty's concerns during these difficult times.

SUPPORT YOUR (STATEWIDE) PRESIDENT

I know that Don will become IFO President during a time in which university budgets are imperiled and the nature of our relationship with the MnSCU System Office is changing. We face a number of threats to our universities and presenting a common front with our students and administrators will enable us to handle these with greater success. The IFO and the Administration have made a number of moves to improve things such as our early settlement last year - but major problem areas remain. First and foremost is the need for "shared sacrifice" to be just that. Expanding or maintaining the System Office while cutting faculty positions would be the wrong move at this time, as would giving another round of across-the-board "performance pay" bonuses to our university presidents. I know - as I said last month - that good people and good programs may have to go, but that is what is happening on our campuses. A second problem that arises out of budget reductions and cost-cutting is the temptation on the part of some departments on our campuses to use adjuncts or fixed-term appointments inappropriately. The IFO has to enforce the Agreement or we will soon find ourselves in the same situation that other systems are in - 20 to 30 percent of the faculty probationary or tenure track and the rest adjunct or contingent appointments. Enforcing the Agreement is sometimes an unpopular task, but it has to be done for the ultimate good of the faculty. I have been on the winning and losing sides of disagreements regarding the implementation of our contract - grievances - and know that these can be difficult. Don will need our support as these situations arise.

IFO DELEGATE ASSEMBLY

I want to thank our members who participated in the Delegate Assembly held at the Radisson Hotel in Roseville. It is an important event that enables our members to gather and have good conversations about important matters, many of which lead to directions to our negotiators, local associations, and Board of Directors. Many of you saw the candidates for governor speak as well. I urge you - despite tough times - to make a point of contributing time or money to the campaign of the candidate who best represents your views. This can be done regardless of residence, I believe (but check with Russ Stanton or the candidate's committee). I want to especially thank Chris Brown for thoroughly roasting me during his speech at dinner - Nobody knew what to make of it!

DON LARSSON ELECTED IFO PRESIDENT

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

Don Larsson, a Professor of English at Minnesota State University Mankato, has been elected President of the Inter Faculty Organization. Larsson will begin a two year term on July 1, 2010. He will be replacing Rod Henry, who did not seek re-election. Campus voting results are posted on the IFO web page at www.ifo.org.

Larsson is currently serving as Vice-President of the Inter Faculty Organization and President of the Minnesota State University-Mankato Faculty Association. As Faculty Association President, Larsson also served on the IFO Board of Directors and Executive Committee for the last three years. For more information on President Elect Larsson, click [here](#).

Following the election, President-Elect Larsson released the following statement:

Dear IFO Colleagues,

I am grateful to those of you of who voted to elect me as IFO President. I also want to extend my thanks to those who voted for Roland Specht-Jarvis or write-in candidates because you too care about our profession, our universities and the IFO. I want to thank Roland himself for running and bringing greater attention and focus to the issues that we face, as well as for the civility of his own campaign.

This election impresses on me the profound responsibility of serving as the representative and voice of the state university faculty, and i will do my best to justify myself in this new role once I assume office in July.

*Best wishes to us all,
Don Larsson, President-Elect
Inter Faculty Organization*

18TH DELETAGE ASSEMBLY RECAP

by [Cindy Finch](#), *IFO Administrative Assistant & Membership Coordinator*

On April 9-10, President Rod Henry welcomed nearly 150 faculty at the Roseville Radisson who congregated to mold the future of the organization. During that time delegates passed nearly twenty new resolutions including a FY11 and FY12 budget allowing for no dues increase, several equality and health care related initiatives, and a revival of the IFO statewide standing Budget Committee on government budgeting oversight - just to name a few.

During the assembly, Russ Stanton introduced 5 gubernatorial candidates to address the faculty on issues affecting higher education. Among the five candidates were Tom Horner (I), Marty Seifert (R), Tom Rukavina (DFL), John Marty (DFL), and Mark Dayton (DFL). Questions were taken from the floor.

The IFO candidates for president (Roland Specht-Jarvis -SCSU, and Don Larsson -Mankato) had the opportunity to discuss their vision of the organization under their presidency, but most of the time was spent on open

discussion and debate. After spending sixteen hours assembling, the organization is one step closer to a unified membership striving for equal treatment amongst all its members. It was clear throughout the assembly that faculty members are most concerned with retaining their high quality universities, curriculum, and most importantly our students - those who bring us hope for a better tomorrow.

For more details on the assembly, contact your [local faculty association president](#).

IFO HONORS UNION MEMBERS AT DELEGATE ASSEMBLY

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

Feminist Issues Committee member Laurie Blunsom presented the **IFO Award for Outstanding Contributions to the IFO by a Woman Member** to Metropolitan State University faculty member **Nancy J. Black** for her dedicated service as IFO President (July 2004-June 2008) and as an IFO Board member prior to her presidency. Dr. Blunsom noted that nominators describe Nancy Black as “an educator, a scholar, a passionate union advocate and member” who sought the IFO presidency in order to “be of service to her colleagues and to students.” Dr. Black’s visionary leadership, her attention to detail and her tireless energy made the IFO a better organization and a stronger union.

Laurie Blunsom presented a second award to **Nancy J. Black** for **Outstanding Contributions to Women’s Advancement within MnSCU**. The IFO honored Dr. Black with this second award in recognition of her work to retain, tenure and promote women faculty, and her efforts to improve the salaries and working conditions for professional women at the state universities.

GLBTA Issues Committee member Dan Lintin introduced the first **IFO James Eric Chalgren Award for Outstanding Contributions to the Advancement of Lesbian, Gay, Bisexual, and Transgender (LGBT) Issues**. Dr. Lintin advised the Assembly that the GLBTA committee decided upon the James Eric Chalgren Award in order to honor the memory and service of Jim Chalgren (1951-2000), a Minnesota State University, Mankato graduate and the founder of the LGBT Center at MSU, Mankato in 1977, one of the first university centers established to serve LGBT students, staff, and faculty.

Dr. Lintin presented the 2010 Chalgren Award to WSU colleague **Cindy Killion**, for her work on behalf of the LGBT community on the WSU campus and within the IFO organization, as well as her activities in working on legal and community issues within Minnesota, and the state of Wisconsin. As a faculty senator, Dr. Killion helped establish the GLBTA Faculty and Staff Committee at WSU. Dr. Killion also served on the statewide GLBTA Issues Committee and as a member of the IFO Board of Directors. Throughout her 18 years of service as a faculty member, Dr. Killion has been a strong voice within the IFO on LGBT equity issues. In presenting the Chalgren Award, Dr. Lintin expressed gratitude to Cindy Killion for being a strong mentor for LGBT faculty, staff, and students at WSU.

Bemidji State University Faculty Association President Chris Brown recognized the contributions of BSU colleague **President Rod Henry**, for his steady and wise leadership in serving as IFO President (July 2008-June 2010) during some of the most turbulent times for unions representing public employees. The IFO is grateful to Rod Henry for his good service to the organization.

LEGISLATIVE UPDATE-MOST HIGHER EDUCATION LEGISLATION PASSED

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

Only 10 weeks from the start of the 2010 session, the legislature has completed action on the two major pieces of legislation affecting MnSCU—the bonding bill and the supplemental budget bill. A higher education policy bill is moving through the process—but it does not contain any essential legislation and the House and Senate bill are far apart in content—so it may not pass. The only other major legislation concerning IFO is the TRA funding

stabilization legislation, which is moving through the committee process and should soon be considered by the full House and Senate. Here is a summary of where we stand at the moment:

State Budget Balancing

On March 29th the legislature passed a supplemental budget bill that cuts about \$338 million in state spending to address part of the state's \$1 billion budget shortfall for this biennium. The governor signed the bill.

The state is expecting to get about \$400 million increase in health care funding from the federal government from legislation pending in Congress. The legislature is holding off making cuts to Health and Human Services and K-12 Education until they know how much the state will get from the federal legislation. Assuming the \$400 million from the federal government does materialize, the legislature would still have to solve a remaining shortfall of around \$260 million from the health and human services and K-12 budgets (which have yet to be addressed), and/or through tax and fee increases.

Higher Education Budget Cuts Passed—MnSCU Cuts Relatively Small

Article 1 of the supplemental budget bill cut \$47 million from higher education spending for this biennium; \$36,120,000 from the U of M, \$10,467,000 from MnSCU, and \$413,000 from Minnesota Office of Higher Education. The U of M and MnSCU cuts are for next year (FY2011), and bring both the U of M and MnSCU down to their FY 2006 appropriation level. The \$47 million cut to the higher education systems is the most that could be cut under a "maintenance of effort" requirement attached to the federal stimulus money. All the higher education policy language was removed from the supplemental budget bill. Policy matters will be considered in a separate bill that is now awaiting action on the House and Senate floor.

In the final agreement on the higher education Article, the Senate dropped its language that would have eliminated the line item limitation on how much money could be spent in the central office versus the campuses (IFO opposed eliminating the line item). The House dropped its language that would have cut the central office by \$3 million and reduced campus administration by 10%. The final agreement reduces the line item for the Central Office and Shared Services Unit by \$500,000 per year.

The bill contains a rider that states "The Board of Trustees must make a good faith effort to make reductions required by this section at campuses and the central office in a manner that minimizes reductions related to providing direct services to students and that maximizes reductions for administrative services not providing direct services to students."

The good news is that MnSCU only took a \$10,467,000 cut in FY2011, reducing our appropriation to \$605.5 million in FY 2011. Under the federal stimulus money maintenance of effort requirements the legislature could have allocated the \$47 million in cuts differently between the U of M and MnSCU, and we could have suffered a much larger cut. Compared to most areas of government, the MnSCU institutions got off relatively easy in FY 2010-11 biennium. Also, the separate line item for the MnSCU central office—something we worked hard to get last year—remains in place. The bad news, from IFO's standpoint, is the central office was not forced to take a proportionate share of the appropriation cut. The MnSCU central office spends one out every eight (about 12.5%) dollars appropriated to the system by the legislature. The central office and shared services is only required to take about 4.8% of the cuts to the system in FY2011. In FY2012 and 2013, the central office is only required to take about 2.2% of the cuts to the system.

The major issues concerning MnSCU finances—the bonding bill and the supplemental budget—have been settled. While the Minnesota Supreme Court might overturn Governor Pawlenty's \$50 million unallotment to MnSCU's appropriation last summer, it is highly probable that the legislature would simply replace the \$50 million unallotment with a \$50 million cut to MnSCU.

TRA Funding Stabilization Legislation Still Moving

The Pension Commission has passed bills that are designed to shore up the funding of the major pension funds, including TRA, and those bills will soon be taken up by the full House and Senate .

TRA has a \$9.1 billion unfunded liability based on the June 30, 2009 market value of its assets. A more realistic

measure of the unfunded liability is to use the 5-year “smoothing” method of asset values—in which case the unfunded liability is “only” \$5.1 billion. To get the fund back to full funding will take employer/employee contributions of 16.57% of salary from now until the year 2037. If nothing is done, even assuming an 8.5% annual rate of return on TRA assets, the fund will run out of money by 2032. Each year the state delays addressing the problem, the contributions necessary to save the fund increase dramatically. The fear is that, if the contribution requirements become too great, it may be politically impossible to pass the contribution increases necessary to save the fund.

TRA is proposing to raise employer and employee contributions from 5.5%/5.5% of salary to 7.5%/7.5% of salary--phased in over four years starting in 2011. In addition, TRA wants to suspend the annual 2.5% benefit increase for retirees for two years. In the future, the annual increase for retirees would be cut to 2%. Finally, TRA is proposing to cut the interest rate paid on withdrawals and deferred annuities.

The TRA proposal would have no direct impact on IRAP members’ contributions or benefits. IRAP, because it is a defined contribution plan, has no unfunded liability. However, if the TRA reforms pass, an obvious question that IFO will have to deal with is whether we want to support raising the IRAP contributions to the same level as TRA contributions.

I testified in favor of the TRA proposal. Representatives of the retirees and the Minnesota School Boards Association also spoke in favor of the bill. Education Minnesota spoke against the contribution increase—they want benefit increases for post-1989 hires. Education Minnesota has drawn the ire of many legislators who feel they are being unrealistic and greedy in their approach to this problem.

Expect a Fight on the Higher Education Policy Bill

All policy issues were removed from the higher education article of the Supplemental Budget Bill before it passed. Policy issues are now going to be considered in a separate higher education policy bill—SF 184 and HF3495. The House and Senate versions of this bill are quite different, especially when it comes to containing the growth of the MnSCU central office.

The House bill contains several provisions adopted from legislation introduced by Rep. Jeanne Poppe (DFL-Austin) to streamline the central office, avoid duplication of functions provided by institutions, and to prevent charge-backs to institutions for budget reductions to the central office. The Senate bill contains none of these provisions. Generally speaking, throughout this session the House Higher Education and Workforce Development Committee, Chaired by Rep. Tom Rukavina, has taken a fairly aggressive approach to controlling growth and costs at the central office. The Senate Higher Education Committee has generally been more protective of the central office. I expect a clash on these issues when the bills reach a House/Senate conference committee. I will not be surprised if there is no policy bill this session.

Here are the central office sections of the House policy bill:

Sec. 18. [136F.08] CENTRAL SYSTEM OFFICE.

Subdivision 1. Establishment. A central system office is established for the Minnesota State Colleges and Universities to provide central support to the institutions enrolling students and to assist the board in fulfilling its missions under section 136F.05. The central office must not assume responsibility for services that are most effectively and efficiently provided at the institution level. The central system office is under the direction of the chancellor.

Subd. 2. General duties. The central system office must coordinate system level responsibilities for financial management, personnel management, facilities management, information technology, credit transfer, legal affairs, government relations, and auditing. The central system office shall coordinate its services with the services provided at the institution level so as not to duplicate any functions that are provided by institutions.

Sec. 27. STREAMLINED MNSCU SYSTEM OFFICE.

Notwithstanding any law or policy to the contrary, the Board of Trustees of the Minnesota State Colleges and Universities shall streamline services provided through the system's central service office to reduce expenditures, better target the use of state resources, and provide services at the most appropriate and efficient level so as not to duplicate any services provided at the institutional level. These actions must be implemented so as to achieve budgetary savings and efficiencies in delivery of services and the accomplishment of the academic mission. The board must revise any board policies in a way that is consistent with the requirements of this section.

Sec. 32. APPROPRIATION REDUCTIONS.

Any reduction in appropriations for the biennium ending June 30, 2011, for the central system office of Minnesota State Colleges and Universities must not be passed through to any institution or campus. The Board of Trustees of the Minnesota State Colleges and Universities must not charge any institution for appropriation reductions made to the central office.

CONTACT US

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