

Inter Faculty Organization

BEMIDJI - MANKATO - METROPOLITAN - MOORHEAD - SOUTHWEST - ST. CLOUD - WINONA

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NOTES FROM THE PRESIDENT: THEY'RE BIG; THEY'RE HAIRY; BUT ARE THEY AUDACIOUS?

by [Don Larsson](#), IFO President

This academic year is now moving into high gear, and much is happening on state and local fronts. Some of the most notable developments are listed below. In the meantime, the MnSCU Board of Trustees is capping a year of discussion by moving toward adoption of a set of “Big, Hairy, Audacious Goals” for the next five to fifteen years at their planning retreat at MSU Moorhead in October.

“Big, Hairy, Audacious Goals” (or “BHAGs,” if you want to seem hip) is a term coined by former Stanford professor and business writer Jim Collins in 1996, referring to the less exciting term “strategic visions,” which certain companies have adopted to spur their success. Google the term and you’ll see it popping up in all kinds of places. (See <http://www.jimcollins.com/> for more on the author.)

Many of us may cringe at another business-speak catchphrase entering the academic world, but the Trustees are intent on creating a set of BHAGs that ought to be (by definition) truly “innovative,” “achievable” in a short time period, “measurable” by objective standards, and “cost-effective.” Two draft goals that have emerged from the Trustees’ Academic & Student Affairs Committee (from about a dozen goals by all Trustee committees) are to

- a) shift in responsibility for “remedial education” from the universities to the colleges, and
- b) implement a twelve-month academic calendar and a three-year baccalaureate program.

Such goals are innovative enough, but whether they are achievable and cost-effective may be another matter. Faculty members and the IFO will have also have keen interest in what standards used to measure “success,” since success will depend—as usual—on the efforts of faculty, staff and administrations at our local campuses.

The BHAG concept may strike some faculty members as looking at a whole forest and not seeing the individual trees where certain Big, Hairy creatures go to do their business. Spend too much time looking too far head and you risk putting your foot in it. Another Stanford professor, Robert Sutton, offers some useful cautions about BHAGs at this webpage: http://blogs.hbr.org/cs/2010/06/hey_boss_enough_with_the_big_h.html. To paraphrase Sutton’s main point here, Big, Hairy, Audacious Goals can have their uses, but it is the Small, Sleek, Low-Profile Goals that allow us to get anything done.

Having said that, it is useful to remember that the IFO has had its own Big, Hairy, Audacious Goals and our negotiators will be keeping them in mind as we get set to negotiate a contract for 2011-2013.

Three Rs: Realignment, Recalibration, Retrenchment

As IFO President, I got to make the annual round of the seven state universities in the last month or so. It's always helpful to understand the physical environment of a campus and to meet faculty and others face to face and I want to thank the local Faculty Associations for their hospitality. I hope that I can meet even more of you all in person in the coming months.

I also got to meet for cordial but frank conversations with each of your university presidents. The message that each one conveyed was variations on a theme:

- The current and state budget situations and demographic changes in the state are driving the need to change how our universities operate
- The changes will require rethinking our programs and ways of offering them
- The changes need to include faculty participation

Those changes are not abstractions. They are already happening, with more to come. **Moorhead** went through major restructuring two years ago when retrenchment was invoked—but ultimately not used—by administration. **Mankato**, having gone through a process of evaluating its programs, has sent (and rescinded some) letters of retrenchment to probationary and tenured faculty and is now looking more intently at its academic organization and program offerings. **St. Cloud** is doing many of the same things as Mankato has done, including retrenchment, but on a much shorter timeline. **Bemidji's** new President Hanson has recently announced a university-wide “recalibration” process that could result in the dismissal of retrenched probationary and tenured faculty by May 2012. **Southwest** has been reconfiguring its seniority rosters, quite likely the prelude for further changes. And more will be on the way.

These processes for realignment, recalibration and retrenchment will continue to require close scrutiny on the campus and system levels. While welcoming the assurance of faculty participation from the presidents, I have cautioned administrators that we will have to be able to address these incentives for change in four different ways:

- Changes and incentives that can be dealt with informally or through established campus and system procedures
- Changes and incentives that will require mutual agreement for limited, short-term exceptions to contract language, policies or procedures through formal Memoranda of Agreement
- Changes and incentives that are more wide-ranging and require system-wide changes to contract language, either through a Letter of Understanding approved by all parties or through negotiations. We have also indicated that we might consider some topics as items for “interest-based bargaining” that works toward solutions of common problems instead of the more adversarial give-and-take of bargaining.
- Changes and incentives that the IFO cannot and will not endorse. At least some of those issues may eventually be resolved by other means, as when a Step 4 grievance goes to an arbitrator for a ruling.

Deciding which issues are best addressed on which level, and being able to move on all four levels simultaneously will require the attention, will and wisdom of us all.

Cuts in the Chancellor's Office:

When we hear that the state universities are planning budget cutbacks of \$8 million or more, one of the first questions faculty ask is “What's being cut from the system office?” The IFO has been assured for some time that severe cuts are coming, and details are beginning to emerge. Last year, about 20 FTE positions were cut from the Office of the Chancellor and another 40 positions are going away this year. A letter from Chancellor McCormick on Sept. 7 detailed the following:

- Academic and Student Affairs: 11 positions, including restructuring or eliminating several offices such as the Center for Teaching & Learning, the Fire/EMS/Safety Center, and academic technology functions
- Advancement: Merge the Development/Foundation office, Government Relations, and Public Affairs, with a loss of 4 positions
- Diversity & Multiculturalism: 1.5 positions cut

- Finance: 4.75 positions cut
- Human Resources: one Associate Vice Chancellor position eliminated; total cut of 2.4 FTE personnel
- Information Technology Services: Reduced by 17 positions

In addition, the Chancellor's Office will give up its lease on the 7th floor of the Wells Fargo World Trade Center.

The Chancellor has vowed to leave a balanced budget and a clean house for his successor when he retires next summer. He has also pledged that cuts in his office will not be charged back to the campuses. At same time, we can expect some loss of needed services from the system office.

Chancellor Search Advisory Committee

The Search Advisory Committee for a new Chancellor has had its first meeting. The profile for job applicants is still being developed and the search firm is working with committee Chair David Olson and the Chancellor's Office to get a pool of qualified applicants by October. First review of candidates will take place in late November, with recommendations of a small group of candidates (3-6?) to the Board of Trustees by December or January. The Board may make its decision by February.

Under the search rules and the Minnesota Data Practices Act, I will be able to reveal very little information about the search and the candidates while it is in process. (Some information will continue to be confidential after we are done as well.) The Board of Trustees has admitted to a lack of clear agreement about exactly what they are looking for—a "CEO type" or an "academic type," a visionary or a functionary. As long as a candidate has the qualities that I would want in a system leader, I have an open mind about such matters. An "academic type" might be preferable but we all know some "academic types" who might be far worse for our universities and the system than many "CEO types."

While keeping an open mind, I also have two major criteria in mind:

1. Candidates who will not come in with predetermined agendas and plans that they would impose, but who are willing to listen and learn about a large, complex system; about our contract; and about the centrality of the faculty to the state universities and MnSCU
2. Candidates who seem ready to help articulate the mission and importance of four-year and graduate education in the MnSCU system and the state.

Those goals may not be hairy and audacious, but they are big enough for me! For more on the Chancellor Search, see http://www.mnscu.edu/about/chancellor_search

THE GOVERNOR'S RACE AND MNSCU'S FATE

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

The Minnesota primary election on August 10th narrowed the race for Governor to just one candidate from each of the major political parties: Mark Dayton for the Democratic Farmer Labor Party, Tom Emmer for the Republican Party, and Tom Horner for the Independence Party. Since the primary the candidates have held numerous debates, and one dominant issue has overshadowed all others: How to eliminate the projected \$5.2 billion state budget deficit and balance the state budget.

The outcome of the debate over budget balancing has huge implications for MnSCU institutions, students, and faculty.

- If the state budget shortfall is resolved through budget cuts alone, with no new revenue from increased taxes, MnSCU's proportionate share of the cuts would be \$210 million over the next two years—a 17% cut from the appropriation base for next biennium.
- If the state budget shortfall is resolved half through budget cuts and half through new revenue (taxes, fees, gambling, etc.), MnSCU's proportionate share of the cut would be \$105 million—"only" a 9.5% cut from the appropriation base for next biennium.

How the shortfall is resolved will impact program offerings, class sizes, completion times and tuition rates for

students. It will also impact faculty pay, workload, and the number of layoffs of newer faculty. We can't expect that the next Governor and legislature will just "cut somewhere else" other than higher education. The big budget segments like K-12 education, health and human services (nursing homes, health care for the poor, etc.), and local government aid have much larger constituencies and more political clout than higher education, and cutting these sectors will be very difficult.

The three major candidates for Governor have sharply different positions on how to solve the budget deficit.



Tom Emmer

Republican Tom Emmer is proposing no new taxes to solve the \$5.2 billion shortfall. In fact, he is proposing \$626 million in tax cuts for businesses—including cutting the business tax from the current 9.8% to 3% by 2015. Of course, the tax cuts would deepen the budget shortfall and require much deeper cuts. Until recently, Emmer has been short on specifics on just what he would cut to balance the budget. Pressed on the issue by his opponents, Emmer released a plan yesterday that outlined his budget plans in "broad strokes." His plan calls for cutting higher education by \$312 million from the current spending level, or \$417 million from the base set in law in the 2010 Higher Education Bill. Emmer would leave it up to the legislature to determine how the cuts were applied.

If MnSCU took a proportionate share of the Emmer cuts, it would be an 11.1% cut from the current funding level. It would take a 6.25% tuition hike each year of the next biennium just to backfill the appropriation cut. This is on top of the tuition increase it will take to backfill for the loss of \$39.6 million per year in federal stimulus money.

Emmer has said he will demand changes in K-12 and higher education systems to improve quality and the competitiveness of the workforce. He favors legislation making it easier for non-teachers to get licenses to teach. <http://www.emmerforgovernor.com/>



Mark Dayton

Democratic-Farmer-Labor Party candidate Mark Dayton favors raising taxes on the wealthiest 10% of Minnesotans (individuals earning over \$130,000 and joint filers earning over \$150,000) which he originally estimated would generate over \$4 billion to reduce the budget deficit. After getting analysis from the Department of Revenue, he now says it will only raise about \$2 billion.

He also proposes a possible casino at the Minneapolis/St. Paul Airport or the Mall of America which would raise an estimated \$400 million. In addition, he proposes a detailed list of a little less than a billion dollars in spending cuts. Dayton's plan would not cut K-12 or higher education. For detail on Dayton's plan see <http://markdayton.org/mainsite/wp-content/uploads/2010/07/DaytonDeficitSolution.pdf>



Tom Horner

Independence Party candidate Tom Horner has proposed to raise \$2.15 billion in new revenue by expanding the sales tax to clothing while at the same time dropping the sales tax rates by a penny. He also proposes cutting \$2.45 billion from state spending, although his web page does not give many specifics: (<http://www.horner2010.com/news/campaign-news-releases/horner-mulder-release-budget-outline/>). Horner, like Emmer, would continue the practice of shifting school payments into the next biennium; this would shift \$1.8 billion into the following biennium.

Horner's plan calls for more research money for two and four year higher education institutions. It also calls for a \$400 million bonding bill next year.

Like so many Minnesota election contests, the race for Governor is currently razor close. A recent MPR/Humphrey Institute poll showed Emmer and Dayton tied with 34% support, with Horner at 13%. A more recent USA poll showed Dayton at 38%, Emmer at 36% and Horner at 18%. While Minnesota is a DFL leaning state, DFLers have not won a race for Governor in 24 years, mainly because Independence candidates have drawn more votes from the DFL than Republicans.

RETRENCHMENT BEGINS ON CAMPUSES

by [Connie Howard](#), IFO General Counsel

Although faculty on all of the MnSCU university campuses have been feeling the effects of significant budget cuts, only three campuses have begun the formal process of retrenching probationary and tenured faculty – Mankato, St.

Cloud and Bemidji.

At Mankato, nine faculty members – five probationary and four tenured have received layoff notices, effective next May at the end of the 2010-2011 academic year. Originally, the administration predicted that as many as 18 to 20 faculty would be retrenched, but, with the encouragement of the IFO, the university was able to cut that number significantly by strategic use of incentives to encourage retirements.

At St. Cloud, the administration is seeking to reduce faculty rolls by approximately 80 FTE – including 30 FTE or more by attrition or leaving positions vacant, 30 FTE through Board Early Separation Incentive (BESI) retirements, and 20 FTE through lay offs. Currently, 26 St. Cloud probationary faculty and four tenured faculty are facing the prospect of lay off. Additional tenured faculty may receive lay off notices on September 20, 2010. As at Mankato, the St. Cloud retrenchments will be effective in May, 2011, at the end of this academic year. The administration anticipates that a number of lay off notices will be revoked depending upon the success of outstanding BESI offers other cost cutting efforts. At last count 34 faculty had agreed to BESI retirements.

Finally, President Hanson from Bemidji recently announced a “recalibration” effort that will include retrenchment of some faculty, effective in May 2012. A meeting is scheduled for October 13, 2010, to begin the required dialog with the Faculty Association about anticipated changes.

The lay offs of probationary and tenured faculty on the three campuses are only the tip of the ice berg. Adjunct, fixed-term and non-tenure track positions are also being reduced significantly.

Faculty who have received or soon will be receiving lay off notices should be aware of the protections and benefits provided by the IFO Agreement:

Outplacement Services – Outplacement services are available under the contract to those faculty who receive lay off notices who request such services. Faculty can contact Lee Skaalrud from Career Partners International, the designated outplacement service at:

Lee Skaalrud
 Career Partners International (CPI)
 Northland Plaza, Suite 850
 3800 American Blvd. West
 Bloomington, MN 55431
 Direct: 952.915.7635
 Cell: 651.587.0236
 Toll Free: 877.274.3343
 email: lee.skaalrud@cpiedge.com
www.cpiedge.com

Note that faculty may seek services immediately upon receipt of a lay off notice. Faculty do **not** have to wait until layoff becomes effective to take advantage of the service.

Retraining - Any faculty member who has received a lay off notice may request a retraining leave during his or her terminal year to become qualified for a position in a related or allied discipline. As an alternative to retraining leave, a university may offer a sabbatical leave to faculty to retrain in a field for which employment is available at the faculty member’s university. Like the training leave, such sabbaticals would occur during the faculty member’s terminal year. Such retraining leaves and sabbaticals are granted at the discretion of the university president.

Tuition Waiver – Retrenched probationary and tenured faculty are entitled to extended tuition waiver, on a space available basis, for one year following separation up to a limit of 24 credits.

Reassignment - In conjunction with their lay off notices, tenured faculty should receive information on how to exercise their reassignment rights under the IFO Agreement. All tenured faculty who are laid off are encouraged to complete and submit to their campus Human Resources Office the “Academic Areas Designation Form” required to designate up to three academic areas in which they want to receive advance notice of faculty vacancies. Contact your Faculty Association President or IFO General Counsel Connie Howard for guidance in completing the form.

Other faculty may wish to e-mail Employment.Opportunities@so.mnscu.edu to request to be added to the e-mail distribution list for MnsCU's weekly employment opportunities digest.

SALARY REVIEW UPDATE

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

Article 11, Section I of our collective bargaining agreement with MnSCU provides for the 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 current IFO MnSCU Salary Review Committee has completed the annual reviews of new hires through FY09.

Last year, the SRC completed the review of faculty hired during the 2006-07 academic year for possible equity adjustments. The 2006-07 newly hired faculty were provided with the data used by the committee for the review. If you received a letter from the Salary Review Committee with your salary information for the 2006-07 academic year, you have until October 1, 2010, to notify the committee of errors in your data. If you have a question as to whether you were part of the 2006-07 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](#).

Over the summer and continuing this fall, the SRC conducted the review of salaries of faculty hired during the 2007-08 and 2008-09 academic years for possible equity step increases. Later this fall, faculty who were hired in 2007 and 2008 will receive a letter with the data used by the committee for the review, and will be given an opportunity to correct any data errors.

You may contact [Pat Arseneault](#) or your campus representative on the [Salary Review Committee](#) if you have questions on the salary review process.

MNSCU DEVELOPING 2011-12 APPROPRIATION REQUEST

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

MnSCU has begun the process of developing a budget request to submit to the 2011 legislature.

For planning purposes, MnSCU used Governor Pawlenty's 2011 supplemental budget request submitted to the legislature last January as a starting point for developing the budget request. The problem is, the Governor's proposal was only \$594.5 million—\$11.1 million below the \$605.5 million the legislature passed for 2011, and \$36 million less than the \$630.5 million base the legislature set in law for each year of the next biennium.

The MnSCU board told staff to plan on a \$105 million to a \$210 million biennial cut from the Governor's proposed base. If the state's \$5.2 billion projected budget shortfall was made up half through budget cuts and half through new revenue (taxes, fees, gambling, etc.), MnSCU's proportional share of the cuts would be \$105 million. If the state's shortfall was made up entirely by budget cuts, MnSCU's proportional share would be \$210 million.

Dayton and Horner are not proposing any cuts to higher education, and even Emmer's cuts (assuming MnSCU took a proportionate share of Emmer's proposed cut to higher education) would be far less than MnSCU's worse case planning scenario.

The students are advocating a biennial appropriation request of only \$1.211 billion—that is the FY 2011 appropriation of \$605.5 million for two years, and is well below the \$1.260.7 million already approved in law. In addition, the students are asking that tuition increases be capped at 2% to recover the revenue lost from the expiration of the federal stimulus funding—they propose no new tuition. The students propose covering inflation through reallocation.

My concern is that if MnSCU requests too little money from the legislature, it is very, very hard to increase the request as it moves through the legislature. It is always easier to request what we really need, and then pare back the request if the revenue forecast turns out to be worse than expected.

Fortunately, the Chancellor is signaling his intent to seek funding at the \$630.5 million base set by the legislature last session. At its meeting on September 17th, the IFO Board voted to support the Chancellor's recommended budget request of \$630 million per year (the amount set in law for next year).

MNSCU STARTING BID PROCESS IRAP AND SUPPLEMENTAL RETIREMENT VENDOR

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

Every five years MnSCU puts the contract for a third party vendor to administer the IRAP, Supplemental Retirement, and TSA programs up for bid. TIAA-CREF is the current vendor that maintains records, supplies investments funds, provides information and financial planning, and sends out quarterly statements. The current TIAA-CREF contract runs out on June 30, 2011, so MnSCU has begun the process of seeking proposals from vendors who would like to administer the programs for the next five years. There is over a billion dollars of faculty retirement funds invested in the retirement funds, so the bidding process is expected to be very competitive.

MnSCU has assembled a task force of employees that are covered by the IRAP, Supplemental, and/or TSA plans to work with a consultant group (Hewitt) to develop a request for proposals and to evaluate the responses. Roger Severens of MSU-Mankato, Dave Kesler of Winona, and I are representing IFO on the taskforce.

I would like e-mail feedback from faculty members on the current MnSCU Plan. Are you satisfied with the service of TIAA-CREF? If not, what improvements would you suggest? Are you satisfied with the current array of investment options available under the IRAP, Supplemental Retirement, and TSA plans? If not, what improvements would you suggest?

Please e-mail your comments to Stanton@ifo.org, and I will pass them on to the selection task force members.

IFO BOARD NAMES THE GRC AWARD AFTER MONTE BUTE



At its September meeting, the IFO Board voted unanimously to name the Government Relations Committee award for outstanding service "The Monte Bute Award for Outstanding Government Relations Service."

Bute, a professor of sociology and social science from Metropolitan State University, frequently testified and lobbied at the legislature on behalf of IFO legislative goals. Russ Stanton, IFO Director of Government Relations, said, "I could always count on Monte if I needed a faculty member to testify at the legislature. He had a unique ability to engage legislators in a lively discussion of issues before the committee."

IFO BACKS OCTOBER 2ND MARCH ON WASHINGTON

At its September meeting, the IFO Board of Directors voted to endorse the October 2nd March on Washington. The March is to demand jobs, economic security, immigration reform and a safe and a renewable energy policy, and it has been endorsed by a wide variety of labor and human rights groups, including the AFL-CIO and the NAACP. For more information on the event, click here: <http://www.onenationworkingtogether.org/content/main>

CONTACT US

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