

# Inter Faculty Organization

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

## *Faculty Update Newsletter*

Volume XXX No. 6

[www.ifo.org](http://www.ifo.org)

January 2008

### IN THIS ISSUE

- [Notes from the President](#)
- [IFO Wins Arbitration: Arbitrator Rules that Tuition Waiver Benefit Covers Applied Doctorate Courses](#)
- [Negotiations Report](#)
- [Change Begins on February 5th -- Attend Your Precinct Caucus](#)
- [The 2008 Session: Budget Shortfalls, Bonding and Pension Reform](#)
- [Academic Affairs Report](#)
- [March 2008 Delegate Assembly Reminder](#)

### NOTES FROM THE PRESIDENT

by [Nancy Black](#), IFO President

Dear Colleagues:

The spring semester has started with more than the usual flurry of activities. Negotiations, the legislature, planning for Delegate Assembly in March, and MnSCU budget hearings are in full swing. A public hearing on the proposed adoption of the MnSCU FY 2009 Operating Budget including tuition and fees was held on January 15 in St. Paul. I testified on behalf of the Inter Faculty Organization (IFO) regarding the proposed tuition and fee structure recommendations. In brief, the recommendation calls for an average tuition increase of 2 percent for a full time student at the colleges, and an increase of 3 percent of full time state university students for FY 2009. Below is my testimony.

“In November 2008, the Minnesota Department of Finance announced state revenues had dropped by \$739 million from end-of-session projections. Last week Goldman Sachs predicted a recession in 2008. Many states are starting to confront major budget shortfalls. We suspect that the revenue forecast due in late February may very well show a larger shortfall, and we fear we may be looking at budget cuts next session.

Because of this uncertainty, the IFO believes that the MnSCU Board should consider holding off setting tuition rates and setting the FY 2009 budget until after the February forecast. At that time, we will have a clearer picture of what revenue and expenditures might be. We think it would be unfortunate if the Board set tuition rates now, only to be forced into a situation later this year of either raising tuition, cutting programs or both.

The MnSCU Board has certainly adopted budgets later than this before—last year you did not adopt the budget until late June—and we think it would be prudent to wait until we are on firmer ground. This is our most important concern now.

### Tuition Buy Down Equity

Having said that, I would also like to address directly the serious issue of the percentage buy down of student tuition at the state universities compared to the two year institutions. As Trustee James McElroy stated earlier in this meeting, “tuition rates are a very important issue.” We think any percentage cuts in tuition, whatever you may decide they may be, should be the same at the two and four year institutions—we do not think students at four year institutions should get smaller tuition cuts than two year students, and here is why:

First of all, Minnesota state university students already pay tuition and fees that are \$1,450 higher per full time student per year than the two year students—that is about 33 percent more than two year students pay.

Second, Minnesota state university students have already had larger tuition increases this biennium than the two year institutions. In FY 2008 state university tuition and fees per full time student went up \$232 or 4.1 percent. Two year institutions increased tuition an average of only \$154 per full time student per year or 3.6 percent. [Source: MnSCU FY 2008 Undergraduate Tuition and Fees for a Full Time Student.](#)

According to Office of Higher Education data, state university students suffered a 112 percent increase in tuition in the last ten years—the two year students suffered “only” a 100% increase. [Source: Minnesota Office of Higher Education Average Annual Resident Undergraduate Tuition & Required Fees.](#) All MnSCU students have had staggering tuition increases.

The position of the IFO is that MnSCU should not be increasing the disparity and inequity.

At the last MnSCU Board meeting it was pointed out that two year student tuition is near the top in interstate comparisons. It makes sense to use interstate comparisons in areas in which we compete on a national basis—such as recruiting state university faculty. It does not make sense to use interstate comparisons when we don’t compete nationally—such as for two year students. Only about 1 percent of two year students come from other non-reciprocity states. Frankly, what community college tuition rates are in New Hampshire or Hawaii do not seem very relevant to what they should be in Minnesota.

For us, it makes more sense to focus on questions such as: “Are tuition rates affecting student attendance?” “Are tuition rates affecting student debt and career choices?”

In response to the first key question, we find that two year tuition rates do not appear to be affecting attendance—two year headcount enrollment is not only growing, it is growing faster than state university enrollment. [Source: Minnesota Office of Higher Education Enrollment Data by Institution Type.](#) State university students not only pay higher tuition rates, but they do so for more years and therefore go much more deeply into debt than two year students. This situation is illustrated by the [Office Higher Education affordability indicator](#) on student debt at two and four year schools in Minnesota. The latest data (for the 02-03 year) show that 75 percent of four year students take on debt compared to 52 percent of two year students. The average debt of four year students was \$17,328—for the two year students it was \$9,600. More recent information is provided to you by Minnesota State University Student Association (MSUSA) by clicking [here](#).

As this report indicates, student debt has important negative implications for our state and economy. Student debt is affecting the choice of young people to go into teaching. Because of the cost of living and teacher salaries, many graduates have unmanageable debt in several states, including Minnesota according to a recent [article in the National Education Associate \(NEA\)](#). We know that many of the job categories with the highest rates of projected growth require baccalaureate degrees or above. According to the Metropolitan Area Planning Update under discussion at this MnSCU Board of Trustees’ meeting: “Job growth is highest for jobs requiring at least a bachelor’s degree, the system needs to increase its capacity to provide baccalaureate and graduate degree programs in the Metropolitan area.”

Finally, we must be careful not to engage in the stereotype that two year students are all poor and four year

students are all well off. It is simply not true. I have been teaching in Minnesota for more than two decades, and I can tell you that students from the full range of income levels attend both types of institutions. The poorest students at both two and four year institutions are eligible for financial aid to offset much of their tuition increase. Students from high income homes can afford tuition increases. The students that are hurting the most from tuition increases are those just above the financial aid limits. We believe that these middle income students, whether they are at Minnesota state universities or the two year colleges, should get comparable tuition relief.

This Board has been so thorough and conscientious in making careful strategic decisions, we ask that you continue this same process and delay setting the tuition rates and FY 2009 operating budget until the state's financial forecast and revenues become clearer. We speak against the recommended motion."

The information provided in this testimony was received with interest by the MnSCU Board of Trustees, and we will all be carefully watching the February forecast and the MnSCU Board's decision in March.

## **IFO WINS ARBITRATION ARBITRATOR RULES THAT TUITION WAIVER BENEFIT COVERS APPLIED DOCTORATE COURSES**

by [Patrice Arseneault](#), IFO Equity Advocate & Acting Director of Labor Relations

The IFO filed a grievance last spring over MnSCU's decision not to honor the tuition waiver benefit for faculty, spouses and dependents enrolled in the new applied doctorate programs at Metropolitan, MSU Mankato, MSU Moorhead, St. Cloud and Winona. MnSCU denied the grievance, and the union took the matter to arbitration in September. The IFO received the arbitrator's decision on January 7. As we anticipated, the arbitrator ruled in our favor on the grievance and directed MnSCU to make tuition waiver benefits available to faculty, spouses, and dependents for applied doctoral courses.

The arbitrator found that the Article 27 contract language regarding the tuition waiver benefit is clear and unequivocal language that places no restriction on the type of courses for which faculty and dependents may claim the tuition waiver benefit. The arbitrator stated that the contract language obligates the employer to provide tuition waiver benefits for all courses, including the applied doctoral courses. The arbitrator found this to be consistent with past practice and the parties' bargaining history.

The arbitrator directed MnSCU to "make whole" eligible faculty, spouses and dependents denied tuition waiver benefits for applied doctoral courses taken in the 2007-08 academic year. Faculty, spouses and dependents who paid tuition and fees for courses in the applied doctorate programs for fall 2007 and spring 2008 will be reimbursed for the tuition and fees up to 30 credits a year, as provided in Article 27, Section G of our contract.

If MnSCU desires to change its contractual commitment to provide tuition waiver benefits for all courses at any of the seven state universities, then MnSCU must bargain for a change in Article 27 in contract negotiations with the IFO.

***For faculty, spouses and dependents of faculty, enrolled in an applied doctoral program at one of the seven state universities, faculty members should submit a tuition waiver form for each semester you are requesting tuition and fee waiver as soon as possible. If you had already submitted a tuition waiver form for fall 2007 tuition, the campus is asking that you resubmit the form for fall 2007.***

Please contact [Pat Arseneault](#) should you have any questions or concerns about the tuition waiver or the reimbursement of tuition in the applied doctoral programs at the state universities.

## NEGOTIATIONS REPORT

by [Rod Henry](#), IFO Chief Negotiator

Not too much has happened since the last report in mid-December. Mediation is scheduled for Friday, February 1 and Saturday, February 2, and the IFO team will be meeting on Thursday, January 31.

We have continued to watch the state's finances and the situation of other organizations' negotiations. For example, Minnesota State College Faculty (MSCF), the other large faculty union in MnSCU, has not settled as of this date. This, combined with expected shortfalls in state finances, throws some uncertainty into the possibility of more salary increases.

I will also be participating in new talks with the state regarding the health care plans. Some concerns have arisen regarding the new pharmacy benefits manager which we will be communicating to other unions and the state in our meetings on Thursday, January 24. Should changes occur or be proposed, we will provide further details in future *IFO Update* newsletters.

Thanks to those who have communicated your ideas, comments, and complaints, etc. to the Negotiating Team – your input is valuable! Thank you for your continued strong support.

## CHANGE BEGINS ON FEBRUARY 5TH -- ATTEND YOUR PRECINCT CAUCUS

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

Tired of the under-funding of our universities and the growth of the MnSCU central bureaucracy? Upset by the war in Iraq? Concerned about global warming? Well, whatever your issue or viewpoint, ***do something about it!***

On February 5th, Minnesota's Republican and Democratic-Farmer-Labor (DFL) parties will hold precinct caucuses. The caucuses are the starting point for the process of selecting candidates for state and national office, and for building party platforms. The caucuses are open to just about anyone who shows up (see eligibility requirements below) and I would encourage faculty members to attend the precinct caucus of the party of their choice, and to get involved at the grassroots level to choose candidates that will support higher education. Caucus participation is one of the most effective ways for citizens to influence political decision making in our state and nation.

### **What is a precinct caucus?**

A caucus is simply a neighborhood meeting of people who want to get involved in choosing a political party's candidates and issues the party will support. Caucuses are chaired by someone elected by those who show up, and are usually conducted in a very informal fashion. At the caucus, participants will:

- **Conduct a straw poll for presidential candidates.** For the DFL party, the statewide results of the straw poll will be used to determine the number of delegates to the national convention for each of the presidential candidates. The Republican straw poll is mainly advisory—it is not used to determine the number of delegates for each presidential candidate.
- **Elect delegates to the county and legislative district endorsing conventions that will be held in the spring.** Usually there are more delegate spots to fill than there are people interested in attending the endorsing conventions, so almost anyone can become a delegate to the legislative endorsing convention that will choose a candidate for the state legislature.
- **Pass resolutions on issues of concern.** Anyone can bring up a resolution, and if adopted by a majority vote it will be forwarded on to the next level for consideration when developing the party platform.

### **Who may attend a caucus?**

Caucuses are open to the public, and the only criteria for participating in a caucus is you must live in the precinct, be eligible to vote in the November 4, 2008 election, and you have to support (or be likely to support) the candidates of the political party whose caucus you attend.

### **When will caucuses be held?**

Both the Republican and DFL caucuses will be held on Tuesday, February 5, 2008. Registration will begin at 6:30 p.m. and the caucuses will begin at 7:00 p.m. Caucuses usually last about an hour or two.

### **Where will the caucuses be held?**

Precinct caucuses are usually held in local schools, town halls, etc. Caucus locations should be published in your local newspaper. There are several ways to find out where your precinct caucus will be held.

First, if you don't know your precinct number, you can go to the Minnesota Secretary of State's web page, [www.sos.state.mn.us](http://www.sos.state.mn.us) and use their "precinct finder." You can call them at 1-877-600-8683. You can also call your county auditor for location information. You can find a list of county auditors at this link: <http://www.mncn.org/mpp/doc/electionofficials.pdf>. In addition, both political parties can assist you. You can contact the DFL Party [www.DFL.org](http://www.DFL.org) or 1-800-999-7457 (651-293-1200). You can contact the Republican Party at <http://www.mngop.com> or 651-222-0022.

### **What will happen after the caucuses?**

Delegates elected at the precinct caucuses will go on to county and/or legislative district conventions that will endorse legislative candidates for this fall's elections, and also elect delegates to the state and congressional district conventions. In addition, they will vote on resolutions passed up from the precinct caucuses.

Delegates to the state and congressional district will select delegates to the Democratic and Republican national conventions and adopt a state party platform.

The Democratic and Republican national conventions will endorse a candidate for president and adopt a national party platform.

### **What about the Independence Party of Minnesota and the Green Party?**

Not all political parties have precinct caucuses. The Independence Party of Minnesota is having a convention on Saturday, January 26th; find out more at <http://www.mnip.org/>. The Green Party of Minnesota has a system they call "special interest caucuses"; find out more by going to <http://www.mngreens.org/caucuses>.

### **Encourage Others to Attend**

One of the purposes of a liberal arts education is to promote citizenship. Become an effective citizen—attend the precinct caucus of the party of your choice. You can multiply your power by encouraging students to attend and by taking a friend to the caucus with you.

## **THE 2008 SESSION: BUDGET SHORTFALLS, BONDING AND PENSION REFORM**

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

The 2008 legislative session begins on Tuesday, February 12th. Already the issues for next session are beginning to take shape.

### **Budget Shortfalls**

There probably won't be much new operational spending this session. The two year operating budget for the state was set last session. The November state budget forecast predicted a \$739 million drop (from the previous forecast) in state revenue for this biennium. The state has reserves that can cover that shortfall, but the economy has continued to show signs of slipping into a recession, so Minnesota could experience a bigger projected shortfall when the next forecast comes out in late February. It is highly unlikely we will

be looking at new operational spending this session, and there may even be some small budget cuts.

### **Bonding Bill for New Buildings**

This legislative session will be mainly focused on passing a capital investment (bonding) bill to finance state construction, repair and acquisition projects. The maneuvering has begun already.

Yesterday Governor Pawlenty announced his bonding proposals for next session. He is seeking \$1.088 billion for new projects--\$965 million of which would be financed by general obligation bonds. This is significantly larger than past bonding proposals by the governor. Since the collapse of the 35W bridge, there has been a large outcry about the lack of investment in infrastructure, and the governor seems to be responding to that concern.

Higher education projects used to make up the largest segment of the bonding bill, but in the governor's proposal higher education would be in second place (getting \$258 million, or 23% of the funding), behind the transportation (which would get \$416 million, or 38.3% of the money). The governor is proposing \$225 million for local bridges and \$30 million for local roads. Concern over neglected transportation infrastructure is causing transportation funding to squeeze other segments of the capital investment bill. This means we have a stake in the outcome of the gas tax debate—if roads and bridges are funded out of a gas tax increase, it would mean more bonding authority would be left over for projects such as higher education projects.

Here is a summary of the governor's bonding proposals: [PowerPoint version](#) ; [PDF version](#).

### **MnSCU Bonding Request**

MnSCU is requesting \$271 million to fund \$110 million of Higher Education Asset Preservation and Repair (HEAPR) and 37 building projects. Here is a [link to the MnSCU request](#). Pawlenty is proposing \$129 million for MnSCU (and a similar amount for the U of M). MnSCU would get \$40 million for HEAPR and the governor is proposing funding for 8 of the 37 projects on the MnSCU's bonding list. There were several major state university projects recommended, including:

1. Trafton Science Center at MSU-Mankato (\$25 million).
2. Brown Hall renovation at St. Cloud State University (\$15 million).
3. Sattgast Science Building addition at Bemidji (\$9 million).
4. Bemidji is also included in larger appropriation for science lab renovations.

The DFL-controlled legislature is likely to increase the size of the bonding bill, and depending on what happens with the gas tax, put more money into higher education. However, despite their large majorities in the legislature, the legislature must work with the governor on bonding because each bonding project must be a separate line item, and the governor has line-item veto authority.

### **Pension Fund Cost of Living Adjustment Reform**

The pension funds (TRA, MSRS, and PERA) will be coming to the legislature this session with proposals to reform the Post-Retirement Fund, from which retirement benefits are paid. In the past, the Post Fund benefit formula granted inflation increases up to 2.5% per year. In addition, if investment returns went over 8.5% per year, they granted an additional permanent increase in benefits equal to the amount the investment returns exceeded 8.5%. During the period of soaring stock markets in the 1990s, retirees received annual benefit adjustment that were sometimes three or four times the rate of inflation. However, when the stock markets went through the floor earlier in this decade the fund became under funded by over \$4.5 billion. Since then retirees have been getting 2.5% or less in annual cost of living adjustments. This has created inter-generational inequities in retiree benefits.

The pension fund directors are proposing reforms that would base future post retirement adjustments more on inflation and less on market returns. Their proposal includes plans, if funding is sufficient, to gradually bring up the benefits of retirees from this decade who received cumulative cost of living increases that were less than the cumulative inflation during the same period. Their plan would also gradually eliminate

the deficit over time.

A representative of TRA will be meeting with the [IFO Government Relations Committee](#) later this month to explore whether IFO will support the fund directors in their efforts to bring the post-retirement fund back to full funding.

## IFO ACADEMIC AFFAIRS REPORT

by [Louise Mengelkoch](#), IFO Academic Affairs Coordinator

The [IFO Academic Affairs Committee](#) has just begun work on writing a series of white papers and talking points on some of our critical legislative goals. We hope these documents can be used to communicate with legislators during the upcoming legislative session and also to the membership. In addition, they may also become the basis for press releases and articles for the mass media. As reported in the [November Update newsletter](#), we have developed 13 legislative goals in conjunction with the IFO Governmental Relations Committee. Our white paper topics grew out of those goals and from other issues arising from our monitoring of MnSCU joint committees. When researching all these issues, our considerations include how they specifically impact universities in ways that may be different from two year institutions; how other institutions and systems have addressed them; and, current best practices. These white papers will be reviewed by the IFO before distribution.

### 1. Credit for Prior Learning

Legislation has gone into effect that mandates a consistent method of assessment for prior learning and to treat students fairly and equitably. We think the legislation and the draft policies and procedures developed by MnSCU raise more questions than they answer, many of them impacting academic quality. Who will develop the guidelines, for example, to assure consistency in assessment? Who will do the time-consuming assessment?

### 2. Intellectual Property

The growth of online education has highlighted the need for clear policies in order to protect faculty intellectual property rights. Who owns the academic materials we create for various kinds of repositories? Who determines what is appropriate and inappropriate uses, especially when we may not even be able to predict possible future uses of materials?

### 3. Textbook Legislation

We have stated our support for legislation intended to reduce costs of textbooks to students. However, we are concerned about faculty control of their own course materials. For example, there are often sound academic reasons for requiring more recent editions of textbooks or the more expensive textbooks alternatives. We don't want to find ourselves in the position of feeling compelled to justify every textbook and course materials decision, nor do we wish to appear insensitive to the understandable cost considerations of students who are already burdened with skyrocketing tuition costs.

### 4. Alternative Teacher Licensure

We have gone on record supporting increased funding for teacher-professional development initiatives offered by accredited teacher-preparation institutions and opposing those that are not accredited; to improve the professionalization of PK-12 teachers, initiatives such as STEM. We plan to defend this position, give background, the benefits of proper licensure programs and the problems associated with inappropriate programs.

### 5. Online Learning

Technology seems to sell these days. MnSCU assumes that the legislature likes technology and proposes numerous new initiatives. It's difficult to know where to start with our academic concerns. We have decided to focus on the following questions: For whom is online learning appropriate and for whom is it not appropriate? Based on best practices, are we serving the appropriate students? Are we compromising

the academic quality of our “on-the-ground” courses by making it seemingly more convenient to take courses online? What are the real costs of online learning, including necessary infrastructure and attendant services? What are the completion rates in our system? What are the overall implications of devoting many resources to online learning in an environment of increasingly limited resources?

#### 6. Implementation of DARS

It looks as though there is a recognition by MnSCU that there are some problems before full implementation of this system is a reality. Of particular academic concern is the error rate, and its potential for circumventing the curriculum process. Its impact is felt especially hard by institutions receiving a lot of transfer students, such as Metro State University.

We’ll keep you posted on our progress.

### 2008 DELEGATE ASSEMBLY REMINDER

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

The Inter Faculty Organization Delegate Assembly will be held on March 28-29, 2008, at the Roseville Radisson (same location as 2006). According to [Chapter XI](#) of the IFO Operating Procedures the following table outlines the number of delegates allotted to each campus:

Campus	Campus Appointments			Board Members	TOTAL DELEGATES
	FA President Appointments	1 per 15 Members	Subtotal		
Bemidji	5	12 (180)	17	3	20
Mankato	5	35 (526)	40	4	44
Metro	5	13 (204)	18	2	20
Moorhead	5	19 (298)	24	3	27
St. Cloud	5	38 (576)	43	4	47
Southwest	5	9 (147)	14	2	16
Winona	5	24 (361)	29	3	32
<b>TOTAL</b>	<b>35</b>	<b>150 (2,292)</b>	<b>185</b>	<b>21</b>	<b>206</b>

If you are interested in becoming a Delegate for your campus, please fill out this [form](#) and send it to your

[faculty association](#). Each faculty association has their own deadline (near the end of February) for registration, so please check with your faculty association for more details. The tentative agenda can be found on the [form](#).

To propose a new resolution you will need to fill out this [form](#) and send it to your [faculty association](#). Each faculty association has their own deadline for submitting new resolutions. Please check with your Faculty Association for more details.

## 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 address is 165 Western Avenue North, Suite 8, Saint Paul, MN 55102, or you can reach us by phone at 800/325-9644 or 651/227-8442. You can send us an email by clicking [here](#).