

# Inter Faculty Organization

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

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### IN THIS ISSUE

- [Notes from the President](#)
  - [Financial and Economic Meltdown](#)
  - [MnSCU "2020 Vision"](#)
  - [MnSCU Budget Request Hearings](#)
  - [Vote November 4th](#)
  - [IFO Retirement Workshops](#)
- [Health Care News](#)
  - [Open Enrollment](#)
  - [Health Assessment Changes](#)
  - [New Benefits Card for HRA and MDEA](#)
  - [2009 Health Care Premiums](#)
- [Nine Month Appointment Issues](#)
- [Farewell to Our Friend Mandy Wick](#)

### NOTES FROM THE PRESIDENT

by [Roderick Henry](#), IFO President

Dear Colleagues:

The academic year is well underway, and we are busy at the IFO.

#### **The Financial and Economic Meltdown**

The meltdown of the national and world financial markets is likely to have profound affects on our members. Most faculty have seen their Supplemental Retirement and 403b investments take a nose dive—wiping out years of gains. The funding of the Teachers Retirement Association—which was problematic even before the financial meltdown, will undoubtedly grow much worse. It is impossible to predict what the effect of the financial turmoil will have on state revenue collections, and consequently funding for higher education and our ability to negotiate a decent contract next round (ironically, state revenue collections were still running ahead of predictions last month). Like everyone else, we will just have to see how this crisis plays out, and react to issues as they unfold.

One piece of immediate advice I would give to members is to not react to the financial crisis by making hasty changes to their retirement investments. Retirement funds should be invested according to a long range strategy—changing investments during a down market can lock in losses. Seek professional advice before making changes. As part of their contract to be the vendor for MnSCU retirement plans, TIAA-CREF provides free financial planning and advice to faculty. Call them for advice before making major changes to your investments. They can be reached at 1-800-682-8969.

## **MnSCU “2020 Vision”**

The Board of Trustees will hold its annual retreat on October 22-23 in Bemidji, during which they will focus on their “2020 Vision”—where they think MnSCU should be in the year 2020, and what needs to be done to get there. In light of the approaching retreat, at the September 17th Board of Trustees meeting I gave my own vision of MnSCU’s—a future where students paid only 1/3 of the cost of instruction through tuition, where faculty were paid in the top quartile of their peers nationally, where student faculty ratios allowed meaningful interaction with students, and where creativity was encouraged through the protection of intellectual property rights. For those that have been around our state universities long enough, you will realize the future I described was in fact where the state universities were during the 1980’s. For a complete copy of my remarks on behalf of the IFO, please click [here](#).

## **MnSCU Budget Request Hearings**

On October 8th the Board of Trustees held a public hearing on the MnSCU FY 2010-11 Budget Request to the 2009 legislature. I strongly supported the Board’s request to fund inflation at 3% for each of the next two years. However, I expressed concern that the MnSCU budget asks the legislature to fund only \$48.1 million of the cost, while asking the students to pay \$68 million of the cost through tuition increase. The State of Minnesota has a policy in statute that calls for the state funding 67% of the cost of higher education at public institutions. I stated that we will never achieve that policy goal if we keep asking the state to pick up only 36% of the cost of inflation.

I also supported the \$17.9 million request in the [Chancellor’s recommended budget](#) for improving the salaries of state university faculty over and above inflation. We have made significant progress on faculty compensation in recent years, but we still have a ways to go to reach our goal of being in the top quartile of peer institutions nationally.

I supported a tuition buy down for students, but I encouraged the Board to not give a larger buy-down to two year students than four year students until they more thoroughly analyzed the data. Click [here](#) for a copy of my comments to the Board.

Finally, in discussion following my testimony, I suggested that given the uncertainty of state revenue sources for the coming years, MnSCU should simply proceed with a budget request that reflects its true needs, rather than build a budget based upon unreliable revenue forecasts. As the world economic drama plays itself out over the next six months, legislators can respond to the MnSCU request based on more reliable information on revenue.

## **Vote November 4th!!**

I want to strongly encourage all faculty members to get out and vote for the candidates of their choice on Election Day—November 4th. I hope you will encourage students to exercise their rights and responsibilities as citizens—and vote. As state university faculty, we have much at stake in elections. The President and Congress affect your taxes, your Social Security (do you think Social Security funds should be invested in the stock market?), and financial aid for the students you teach. Over half the funds to run the state universities and pay your salary come from state appropriations by the Governor and legislature. They also control your retirement and health benefits. Politicians pay attention to constituencies that vote—they have a powerful incentive to do so.

Minnesota has some of the most voter-friendly laws in the nation. People can register and vote at the polls on election day. For complete information on voting—including a “precinct finder” to tell you where to vote, visit the Minnesota Secretary of State’s website at <http://www.sos.state.mn.us/home/index.asp>.

## **Open Enrollment for Health Care**

Open enrollment for insurance benefits and pretax expense account benefits will be held from November 5th through 18th. Don’t miss this important opportunity to make changes to your coverages and/or enroll in pre-tax expense accounts. For more information, see Russ Stanton’s article on [Health Care News](#) below.

## **IFO Retirement Workshops**

October 15th was the last day for giving notice of intent retire and thereby access certain retirement benefits in the contract or to apply for phased retirement next year. In September, IFO sponsored 22 workshops for faculty nearing retirement, and Russ Stanton met individually with 208 faculty members to review retirement benefits under the contract and under state programs, and to assist faculty in preparing to retire.

## **HEALTH CARE NEWS**

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

### **Health Open Enrollment Coming Up November 5-18.**

Open Enrollment for the State Health Plan will be November 5-18, 2008, for the 2009 calendar year. During open enrollment faculty will have an opportunity to change benefit elections as well as vendors and clinics. If you find there are no changes needed to your benefit elections you do not have to re-enroll. However, you must re-enroll if you are participating in one of the pre-tax expense accounts and want to continue participation. For complete information on open enrollment you can visit the Department of Employee Relations website at [www.doer.state.mn.us](http://www.doer.state.mn.us).

### **Health Assessment Changes**

The State of Minnesota is moving to a single vendor, JourneyWell, for doing the Personal Health Assessment this year. By taking the confidential Personal Health Assessment during open enrollment, and by agreeing to a follow-up phone call from a health coach, state employees and their dependents qualify for a \$5 reduction in office visit co-pays. Participation in the assessment is voluntary. For more information visit [www.advantagehealthadvisors.com](http://www.advantagehealthadvisors.com).

### **New “Benny Card” For HRA, MDEA Benefits**

Starting January 1st the state will move to a debit card system to allow state employees to pay for health benefits from their Health Reimbursement Arrangement (HRA) accounts and, for those that have them, their Medical and Dental Expense Account (MDEA). The card can be used at a very extensive network of pharmacies, grocery stores, hospitals, vision centers, as well as doctors’ and dentists’ offices. The card will automatically determine what items are reimbursable and pay for them from the available balance in an employee’s account. It will eliminate paperwork and delays in reimbursement for employees. Employees will be able to check balances on line or by phone. Faculty members will not have to apply for the card—it will be sent to your mailing address early next year.

### **State Employees Will Get A \$250 HRA**

As a result of savings to the self insured State Employee Group Insurance Program (SEGIP) from employee participation in health cost containment programs, the program has more money than anticipated. Therefore, the state and employee group representatives have agreed to use some of the savings to give each state employee a \$250 Health Reimbursement Arrangement (HRA) account for calendar year 2009.

IFO members already have an HRA program in effect whereby each January MnSCU contributes \$600 to an HRA for each insurance eligible faculty member. The 2007-09 IFO/MnSCU Contract will raise the employer contribution to the IFO HRA to \$800 per year starting in January of 2009. The \$250 HRA for all state employees will be in addition to the \$800 employer contribution to the IFO HRA.

If an employee is voluntarily enrolled in the MnSCU Medical Dental Expense Program (MDEA), that will be the first source for reimbursement of medical expenses, followed by reimbursement from the \$250 state employee HRA, followed by reimbursement from the \$800 HRA for IFO members.

### **Health Care Premiums Rise Less Than Expected for 2009**

As a result of the success of cost containment programs within the state health plans, premiums for 2009 will rise only 3.5% -- compared to the 10% increase anticipated when the last contract was negotiated. The lower than expected increase in premiums will directly affect employees with dependent coverage, who pay 15% of the dependent premium. It should also result in more money on table for contract bargaining next round, as MnSCU saved millions of dollars as a result of employer paid premiums being 6.5% less than originally anticipated.

## NINE MONTH APPOINTMENT ISSUES

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

As part of a package including preservation of career steps and an 11.2% wage increase over the course of the contract, the IFO agreed to add a new category of nine-month faculty appointments to the 2007 – 2009 IFO/MnSCU collective bargaining agreement.

Starting July 1, 2009, all new faculty other than adjuncts/community faculty will be hired on nine-month appointments. Current faculty on traditional academic year appointments may switch to nine-month appointments with the agreement of MnSCU and their Faculty Association.

MnSCU has informed the IFO that initially most nine-month appointments will track the traditional academic year. However, faculty should be aware that even if their nine-month appointment parallels a traditional academic year appointment at first, they may be faced with a dramatically different schedule down the road.

Because of the many uncertainties and potential problems associated with the new nine-month classification, the IFO wants to be sure that new hires and any current faculty considering switching understand the differences between traditional academic-year appointments and the new nine-month appointments before accepting a nine-month appointment. To that end, the IFO has requested that all notice of vacancies for new faculty positions starting on or after July 1, 2009, include, not only notice that the positions involve nine-month appointments, but also an explanation of what that may mean for the faculty involved.

### **Coverage**

#### **Who will be assigned to work under the new nine-month appointment rules?**

Beginning July 1, 2009, all new probationary, athletic and fixed term appointees will be classified as nine-month faculty. In addition, any faculty member who chooses to renegotiate his/her salary for an athletic appointment starting on or after July 1, 2009, will become a nine-month faculty member.

#### **May faculty switch between academic-year and nine-month appointments?**

The contract allows current faculty with regular appointments – **not new hires** – to switch between academic-year and nine-month appointments with the agreement of **both** the administration and their Faculty Association. That means that the administration could veto any request to switch back from a nine-month appointment to a traditional academic-year appointment.

### **Work Schedule**

#### **What will the work year be for nine-month faculty?**

Faculty with traditional appointments work a set 168 duty day schedule during the academic year (i.e. fall through spring semester) in accordance with the academic calendar set annually on each campus through the meet and confer process. By contrast, universities may establish individual nine-month appointments that do not correspond to the academic year or to any other nine-month appointment. Such appointments, that may start at any point during the year, must be for no more than 168 duty days during nine continuous calendar months.

#### **Will nine-month faculty get scheduled breaks?**

Neither traditional nor nine-month faculty may be required to work on specified holidays. However, it is not clear whether nine-month faculty will receive the same or comparable breaks to those enjoyed by faculty with traditional appointments (e.g. breaks between semesters, mid-term breaks, etc.).

### **What will the work week be for nine-month faculty?**

Faculty with traditional appointments work a Monday through Friday schedule in accordance with the academic calendar set through meet and confer. Nine-month faculty may be assigned to work any five days a week, including Saturdays and Sundays. Days off may not be consecutive. MnSCU may even take the position that days off need not be consistent from week to week.

### **What limits are there on schedule changes for nine-month faculty?**

Nine-month faculty must be assigned the same start and end dates for at least two successive nine-month appointments, and must be given six months notice of appointment dates for any ensuing two-year period. That means that a faculty member who is initially given a nine-month assignment lasting from September through May, could after two years be switched to a June through February schedule for the following two years. It is not clear whether and/or under what conditions a university may change nine-month faculty members' regular work days/days off.

### **Professional Issues**

#### **Could having a nine-month appointment affect a faculty member's participation in the life of the university?**

Historically, department governance, professional development and evaluation procedures, and faculty involvement in the appointment process have all been based on the academic year calendar. Likewise, college, university and system-wide committees have functioned primarily during the academic year. Nine-month faculty whose appointments do not correspond with the academic year may face significant hurdles in participating fully in the life of their universities because they may not be working when critical deadlines, activities and decisions are taking place.

### **Wages**

#### **Could having a nine-month appointment affect a faculty member's pay?**

The stop and start dates of a nine-month appointment may affect a faculty member's pay because of the timing of pay raises under the union contract. For example, if the contract provides for a January wage increase, a faculty member whose nine-month appointment begins in January would get the benefit of the increase for the full period of the appointment, whereas a faculty member whose work year began the previous July would get the increase mid-year.

### **Seniority**

#### **Could having a nine-month appoint affect a faculty member's seniority?**

Under the contract, seniority is based on full-time equivalent (FTE) years of continuous service, with a FTE year of service being defined as two semesters of continuous service in an academic year. Accordingly, nine-month faculty whose appointments do not correspond with the traditional academic year may not receive a FTE year of service for their nine-month appointment for purposes of seniority.

### **Benefits**

#### **Could having a nine-month appointment affect a faculty member's eligibility for insurance?**

Eligibility for state employee group insurance is based upon a faculty member's FTE assignment during the regular academic year (i.e. fall semester through spring semester). Work during summer sessions does **not** count toward meeting either the 50% FTE eligibility threshold for participation in the group plan, or the 75% FTE threshold for MnSCU payment of premiums for individual employee coverage. In addition, faculty who work spring semester receive insurance coverage over the summer. However, a faculty member whose last scheduled day of work falls before the end of spring semester loses insurance coverage at the end of the payroll period in which the last day of work occurs. Accordingly, nine-month faculty whose work years do not correspond to the traditional academic year may have difficulty meeting eligibility thresholds and/or may lose insurance coverage or full employer contributions during breaks in

their work schedule.

### **How will open enrollment be handled for nine-month faculty?**

It is not clear how MnSCU will handle notices and sign-up periods for nine-month faculty who are not working during the fall when open enrollment traditionally takes place.

### **Could having a nine-month appointment affect a faculty member's pension benefits?**

Changes in the starting and ending dates of a faculty member's nine-month appointment could affect pension benefit calculations based upon a nine-month faculty member's "high 5" calendar years if the faculty member elects TRA rather than IRAP pension benefits.

### **Could having a nine-month appointment affect a faculty member's Health Reimbursement Account benefits?**

Since only faculty who are insurance eligible as of January 1 each year receive MnSCU contributions to their Health Reimbursement Accounts (HRA) for that year, nine-month faculty who suffer lapses in insurance eligibility because their schedules do not conform to the academic year may not receive HRA contributions.

### **Could having a nine-month appointment affect a faculty member's sick leave accrual?**

Currently sick leave accrues at the rate of 4.5 days per semester during the academic year, and 1.5 days per single summer session or 3 days per double summer session. That means that faculty whose nine month-appointments include summer sessions could accrue less sick leave during their nine-month appointment than those working the traditional academic year.

### **Could having a nine-month appointment affect a faculty member's professional study and travel benefits?**

For those departments who distribute study and travel funds on other than a pro rata basis, nine-month faculty whose appointments do not correspond with the academic year could be placed at a disadvantage by application procedures and schedules keyed to the academic year.

### **Could having a nine-month appointment affect a faculty member's tuition waiver benefits?**

Under the contract, full-time faculty members are entitled to tuition waivers for up to 30 credits per year, with years being defined as the period beginning with the first day of fall semester and ending the day before the succeeding fall semester. Benefits do not carry forward from year to year. For those nine-month faculty whose appointments straddle two years for purposes of tuition waiver benefits, it is not clear how MnSCU contends tuition waiver credits should be allocated between the relevant years, or how long faculty will have to use their tuition waiver benefits.

### **Other Scheduling/Deadline Issues**

#### **How are deadline and scheduling issues affected by nine-month appointments?**

The current schedules for evaluation of faculty for non-renewal, promotion, tenure and sabbatical leaves are all based on the academic year calendar. Similarly deadlines for applications and the commencement of early separation incentive benefits, phased retirement, and annuitant employment benefits are based on the academic year. These schedules may pose logistical and other problems for nine-month faculty with appointments that do not correspond to the academic year.

## **FAREWELL TO OUR FRIEND MANDY WICK**

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

Early this month, the union lost an incredible advocate and friend. Retired Bemidji State University Accounting Professor Dr. Madalyn (Mandy) Wick died on Saturday, October 4, 2008 at the age of 58. Mandy Wick taught in the Accounting Department at BSU from 1984, until she needed to resign in December 2007, due to her failing health. As an accounting professor, Mandy was well respected and well

liked by students and colleagues. As Chair of the Accounting Department, she served as a role model for female students and women professionals.

Mandy Wick devoted a great deal of personal time to assist and mentor others. She was a hard worker, clear thinker, strong leader, and a good colleague and friend. One of Mandy's passions and long time goals was to achieve salary equity for faculty. Mandy was instrumental in bringing salary equity and gender pay equity for faculty into the limelight.

In 1998, Dr. Wick was elected as BSU's representative to the statewide IFO Salary Equity Committee, the committee charged with addressing matters relating to salary equity. Mandy Wick also served as an IFO representative to the joint IFO MnSCU Salary Review Committee, which is the committee responsible under our collective bargaining agreement for conducting salary studies of all faculty, and for the annual reviews of salaries. In 1999, Mandy Wick was selected by the joint Salary Review Committee to serve as its Chair, and she continued in that position until 2006. Mandy worked tirelessly on the salary equity and salary review committees, devoting extraordinary time, energy and effort to the projects at hand. Mandy's expertise, friendly demeanor, and level headedness assisted and guided the joint Salary Review Committee (SRC) for many years through two salary studies, fourteen annual reviews, and countless battles between the labor and management sides of the committee. We are truly thankful for her strong work ethic and dedication in her role as Chair of the SRC. We are forever indebted to her for building, updating and maintaining an accurate database, and for creating methods to review and access data for the committee. During Mandy's years as Salary Review Committee Chair, hundreds of faculty received salary equity step increases.

In 2004, Mandy Wick was honored by the IFO Board of Directors for her Outstanding Contributions to Women's Advancement in the Minnesota State Colleges and Universities system because of her work at BSU, and for her achievements in salary equity for faculty in the system.

Through her many accomplishments, Mandy Wick remained ever gracious and unpretentious, and, who knew she was a pool shark? She will be missed!

## 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](#).