

Inter Faculty Organization

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

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PRESIDENT'S COMMENTS

by [Nancy Black](#), IFO President

This is a very busy time for the IFO. IFO committees and taskforces will be engaged in an increasing level of activities over the next six weeks as we head into the IFO Delegate Assembly on March 24 and 25. During the remainder of February and March, the IFO Budget Committee, Feminist Issues Committee, Executive Committee and IFO Board will be meeting. The Multicultural Issues Committee just met, and the Benefits Equity Taskforce is preparing a report. The Salary Equity Committee is also trying to get together at the Delegate Assembly. In addition, the MnSCU Board of Trustees will be holding their next meeting on March 22nd and 23rd.

The 2006 legislative session starts on March 1st. The IFO Government Relations Committee recommended, and the IFO adopted, an ambitious set of legislative goals, and we will be pursuing these goals next session. The Government Relations Committee together with Academic Affairs Committee, GLBTA Issues Committee, and the Executive Committee will be participating in Lobby Days at the state legislature on March 22nd and 23rd.

One of the most important things I learned in the last couple of years is the importance of membership for the success of our organization. I want to thank the many faculty members who participate in IFO activities and make our organization work, and I want to encourage others, especially newer faculty members, to get involved. I hope to see many new faces at this year's Delegate Assembly.

2006 LEGISLATIVE SESSION - MANY ISSUES ON THE TABLE

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

On March 1st, the 2006 legislative session will begin. It promises to be a fairly short, highly partisan session that will deal with many issues of interest to the IFO.

Expect a Short, Partisan Session

This is not a budget year—the two year state operating budget was set last year. There may be small adjustments to the operating budget, but the big item for this session is the capital improvement budget (the bonding bill). The shutdown process, which involves deadlines by which bills have to be out of certain committees starts on March 28th. By early May the legislature should have completed its work and gone home.

All Senators and State Representatives are up for re-election this year as is Governor Pawlenty. Endorsing conventions for legislative seats begin in late March. There is likely to be a lot of grandstanding and bickering. For this reason, most legislators will want to do only what is necessary and then get out of town.

Expect Many Important Issues to be Considered

While this is a short session, there will be many issues of importance considered, including bonding, a supplemental appropriation request, passage of the IFO contract, repeal of the higher education funding formula, merger of the Minneapolis Teachers Retirement Fund with TRA, a constitutional amendment on marriage, and many other issues:

Bonding

The bonding debate will dominate this session. On even numbered years the legislature normally passes a bonding bill to borrow money to build, remodel and repair buildings. MnSCU is often the biggest recipient of bonding appropriations. This year MnSCU is requesting \$280,410,000 in bonding appropriations for 26 projects, plus \$110 million for Higher Education Asset Preservation and Repair (HEAPR) projects (replacing roofs, ceilings, boilers, air conditioning, etc.).

Governor Pawlenty has proposed a meager bonding bill for MnSCU—he recommended only \$142,530,000 for MnSCU (about half the request), and only \$20 million for HEAPR projects. Our hopes at this point are on the legislature improving upon the governor's proposal. Senator Keith Langseth (DFL-Moorhead) will carry the bill in the Senate, and he is both an effective legislator and a strong supporter of higher education—in the last two rounds of bonding he managed to get all of MnSCU's projects passed. The House author, Rep. Dan Dorman (R-Albert Lea) is also a good supporter who last session put together a bi-partisan coalition in the House to pass an excellent bonding bill. Overall, I think MnSCU's prospects are very good this session.

For a list of MnSCU's bonding requests, and the governor's response, click [here](#).

There are rumors that there is a “package deal” being put together to fund a new Gopher Stadium for the U of M. In order to pick up support for that proposal, the governor and some legislators are looking at building regional recreational facilities in Marshall, Bemidji, Cambridge and Rochester. Key legislators have told me that if this does get proposed, it is likely to be in a separate bill so it won't compete with other MnSCU priorities. In addition, the Rochester community is likely to come in with proposals for buildings associated with their proposed new U of M-Rochester. These proposals will compete with the current priority list.

IFO Contract Ratification

The Legislative Subcommittee on Employee Relations passed the IFO contract on January 10th, with little fanfare. The contract has been implemented, pending approval by the entire legislature next session. If the legislature does not ratify the contract before it adjourns later this spring, the contract will be null and void and the IFO will go back to its old 2003-05 contract coverage. While the contract is in itself not controversial, it can get entangled with other legislative measures and get defeated for reasons unrelated to the contract. This almost happened last session. In addition, if the legislature has another meltdown,

our contract could be a victim. Therefore, the IFO will be lobbying legislators to keep the contract bill separate from other legislation and pass it early in the session..

MnSCU's Supplemental Budget Request

Last year the legislature appropriated \$1.2 billion to MnSCU to cover FY 2006 and 2007 operations. MnSCU is seeking a supplement appropriation during the 2006 session broken down as follows:

- \$15 million of one-time money for IT infrastructure and security;
- \$10 million (base adjustment) for higher than expected fuel and utility costs;
- \$3 million (base adjustment) for a new Center of Excellence in the Biosciences; and,
- \$3.5 million (base adjustment) for a "Global Initiative". This last minute addition was pushed by some trustees who traveled with Governor Pawlenty to China recently.

It is still unclear whether there will be any money to cover supplemental appropriation requests for MnSCU and many other state agencies. The court strike-down of the tobacco "user fee" left a gaping hole in the state budget, pending resolution of that matter either by the courts or by the legislature changing the "fee" to a tax.

Students are pushing for a supplemental appropriation to buy down tuition rates. They say that the tuition increases approved for next year (averaging 8.4% for state university students) were based on higher fuel and utility costs, and if MnSCU gets an appropriation to cover those costs, tuition rates should go down by a comparable amount.

IFO has a position that if money is available for supplemental appropriations, it should go out to the campuses to fund current programs with high student demand.

TRA/MTRF Merger

Not surprisingly, the merger of the Teachers Retirement Association (TRA) with the Minneapolis Teachers Retirement Fund (MTRF) is one of the first items being heard by the Pension Commission this year. The situation with MTRF is bad and getting worse by the minute:

- It is only 46% funded (current assets/current obligations). It was 52% funded last year.
- The unfunded liability is \$972 million. It was \$877 million last year.
- The combined employer/employee contributions to the fund are currently 22.99% of payroll (compared to 10% of payroll for TRA members), but are not nearly enough—they need to be contributing 46.29% of payroll to stay on course.

Something must be done. If the MTRF runs out of money it will have to prorate money among retirees as it comes in from active members. It would set a terrible precedent to let a defined benefit pension plan fail. It could also be bad for the Minneapolis School District in its efforts to recruit and retain teachers.

Here are the key aspects of the legislative package being looked at (no action taken yet) to bail out MTRF and improve TRA benefits:

- TRA would take over the assets and liabilities of the MTRF.
- Minneapolis School District would issue bonds to cover the unfunded liability of the MTRF, and the money from the bonds would be given to TRA.
- The contribution rate for current TRA members/TRA employers would increase from 5%/5% of payroll to 5.5%/5.5% of payroll.
- The Minneapolis teacher contribution would be 5.5% of payroll, but the Minneapolis School District would pay 8.46% of payroll.

- An additional contribution of .29% of TRA payroll, allocated equally between the City of Minneapolis, the Minneapolis School District, and the State, is added.
- The annual service credit for a TRA member would be increased from 1.7% to 2.0% per year, prospectively.

The improvement of TRA benefits is being thrown in as a “sweetener” to get support for the package from out-state legislators.

What would be the impact on an average TRA member? Example: A faculty member has an annual salary of \$80,000, is 64 years old, and retires at 65 with a high-five average salary of \$75,000. The additional TRA contribution he/she would pay would be .5% of salary, or \$400. The increase in annual retirement benefits would be .3% of high-five salary, or \$225 per year during retirement (on average a 65 year old TRA retiree draws for a little over 22 years). So it is a pretty good trade-off of benefits to contributions.

Repeal of the Higher Education Funding Formula

The current higher education funding formula essentially adjusts the base budget from the year before for inflation and enrollment changes and that becomes the base (or starting point) for the next year’s appropriation calculation. Students are supposed to pay 33% and the state 67% of the instructional costs at public institution. The problem is the law is frequently set aside by governors and legislators. Whenever they don’t want to fund inflation and enrollment growth, they simply don’t. Students at state universities are now paying over 50% of the cost of their instruction through tuition.

A task force studying the higher education funding formula during the legislative interim recently issued a report that called for the repeal of the higher education funding formula. Their point, which is extremely valid, is that it is never followed anyhow. The controversial part of the report is they have not recommended a replacement formula. In the future, if the law is repealed, the U of M and MnSCU will come in and ask for what they want, and the state will decide what it wants to give them. Repeal of the law would also be a formal recognition by the state that it is giving up on the cost sharing social compact with students that was originally passed in 1983.

Marriage Amendment

Last session Sen. Michelle Bachmann introduced legislation for a constitutional amendment limiting marriage, or its equivalent, to a union of one man and one woman. The phrase or its equivalent is vague, but some legal scholars think it could be used to strike down domestic partner benefits like those in the IFO contract. IFO opposes the amendment. During the last two sessions, Senate DFLers were successful in bottling up the legislation in committee and blocking suspension of the rules to bring it up on the floor. Sen. Bachmann is now running for Congress, and with this being an election year I am sure she will try to bring the issue up again.

For a list of IFO goals for the upcoming session, click [here](#).

NANCY BLACK NOMINATED FOR A SECOND TERM

by [Becky Omdahl](#), IFO Nominating Committee

The IFO Nominating Committee (comprised of Gerald Toland, Southwest State University, Cathy Summa, Winona State University, and Becky Omdahl, Metropolitan State University) sent out announcements calling for candidates for the office of IFO President. The deadline for submitting nominations was extended for an extra week to ensure that all interested faculty had time to present materials. Although some inquiries were made on behalf of multiple candidates, only one candidate

came forward. The IFO Operating Procedures require the Nominating Committee to submit two names to the IFO Board of Directors. Given that this year only one candidate emerged, the IFO Board of Directors voted to allow the Nominating Committee to put forward only one name for the 2006 IFO Presidential election. Nancy Johnson Black was nominated for the office of IFO President. The statewide election for this office will be held the second Tuesday in April.

COALITION BARGAINING GROUP LOOKS AT HEALTH ASSESSMENT AND "BEST IN CLASS" CONCEPT

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

I have started to attend meetings of the coalition that bargains our health care benefits. This group is composed of the state employees' unions as well as representatives from the Department of Employee Relations.

Our last meeting was on January 31st, and I attended along with IFO President Nancy Black and our Director of Government Relations, Russ Stanton, and Professor Susan Rydell of Metropolitan State University. At that time we were given some updates on items that were part of our last round of health benefits bargaining as well as discussion of items in progress or potential proposals.

The first item brought up was the assessment that was part of the current health plan. A member of another union mentioned that she had members who had filled out the assessment and were then put in the higher co-pay category. If you are in this situation, [let me know ASAP](#). You can find out by checking your insurance card which will mention your co-pay amount. I still have questions about privacy/confidentiality and the future of this, particularly in light of recent problems in New York State. Another topic was the "best in class" concept, which is designed to make it easier for members to gain access to facilities that have proven track records in swiftly resolving some of the major illnesses or problems that cost members and the system large amounts of money. The concept here is that the TOTAL cost at one hospital with higher a la carte costs may be substantially lower than the TOTAL cost at another hospital with lower a la carte costs. The discussion is how to implement this, for what illnesses, and then whether or not to apply this concept to prescriptions. Lastly, we were shown several presentations about the impact of various conditions such as depression on health care costs.

We will be meeting again in three months to deal with more on these and other issues. I expect to have learned more about these concepts then.

NOMINATIONS FOR OUTSTANDING CONTRIBUTIONS TO THE IFO AND TO WOMEN'S ADVANCEMENT

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

The IFO Feminist Issues Committee is accepting nominations for the 2006 Delegate Assembly Awards for Outstanding Contributions to the IFO by a female faculty member and for Outstanding Contributions to Women's Advancement in the State University System. Award nominations are due to the IFO by Friday, February 24, 2006. Awards will be presented at the Delegate Assembly banquet on Friday, March 24, 2006.

Award for Outstanding Contributions to the IFO

The Feminist Issues Committee will review nominations using selection criteria for recognizing the Outstanding Contributions to the Inter Faculty Organization by a female IFO member who:

1. Has significant service on committees or other service to the IFO on the local and/or state level, including serving in leadership capacities and in advocacy within the IFO on issues with substantial impact on women faculty;
2. Contributed to IFO over several years and has long-term service; and
3. Has not been recognized with this award before.

Previous women who have been recognized with this award are:

Judy Schlawin, Winona, 1986
Susan Rydell, Metropolitan, 1987
Mary Hickerson, Southwest, 1992
Kathy Wellington, Metropolitan, 1994
Shirley Eiken, Winona, 1994
Debra Japp, St. Cloud, 1996
Lora Robinson, St. Cloud, 1998
Penny Herickhoff, Mankato, 2000
Mary Kesler, Winona, 2002
Susanne Smith, Winona, 2004

Award for Outstanding Contributions to Women's Advancement in MnSCU

The Feminist Issues Committee will review nominations using the following selection criteria for recognizing the Outstanding Contributions to Women's Advancement in the state university system by an IFO member who:

1. Improved the professional lives of MnSCU women on the local and/or state level through serving in leadership capacities as a scholar and/or change agent to create equity and opportunities for women;
2. Improved the system to more equitably recognize, hire, retain, tenure and promote women;
3. Worked to improve the working conditions for professional women;
4. Advocated within the MnSCU system and beyond on issues with substantial impact on women faculty;
5. Has long-term service to MnSCU institutions; and,
6. Has not been recognized with this award before.

Given the public nature of our work, individuals honored with multiple nominations will be favored over individuals with a single outstanding nomination.

Previous IFO Members who have been recognized with this award are:

Mary Craik, St. Cloud, 1984
Maxine Otis, Mankato, 1984
Marvel Froemming, Moorhead, 1985
Mary Dressel, Winona, 1986
Julie Andrzejewski, St. Cloud, 1987
Karen Thompson, St. Cloud, 1990
Beverly Ferguson, Metropolitan, 1992
Marjorie Fish, St. Cloud, 1994
June Goemer, St. Cloud, 1998
Jeanette Karjala, Winona, 2000
Louise Mengelkoch, Bemidji, 2002

Jeanette (Jan) Karjala, Winona, 2002
Magdalene Chalikia, Moorhead, 2002
Jill Frederick, Moorhead, 2002
Margaret Potter, Moorhead, 2002
Susan Severson, Moorhead, 2002
Susan Burum, Mankato, 2002
Kathleen Gill, St. Cloud, 2002
Christine Jazwinski, St. Cloud, 2002
Marjorie Fish, St. Cloud, 2002
Lora Robinson, St. Cloud, 2002
June Goemer, St. Cloud, 2002
Jacqueline Richardson, Metropolitan, 2002
Valerie Geaither, Metropolitan, 2002
Madalyn Wick, Bemidji, 2004

Nominations may be mailed or faxed (651-227-0505) to the IFO office, or completed on line. To view or submit a nomination form on the [IFO website](#), click on either Nomination Form for [Outstanding Contributions to the IFO by a Woman Member](#), or for [Outstanding Contributions to Women's Advancement by an IFO Member](#). To obtain a paper copy of the nomination form or other information about the awards, please contact [Pat Arseneault](#) or a member of the [Feminist Issues Committee](#).

DELEGATE ASSEMBLY 2006 REMINDER

by [Cindy Finch](#), Administrative Assistant

This year's Delegate Assembly will be held at the Roseville Radisson hotel on March 24-25. Some campuses still have not filled their roster for delegates. If you are interested in being a part of creating IFO policy, budget and dues as well as helping the organization set legislative and negotiation goals, contact your local [Faculty Association President](#) to see how you can become involved.

Another way you can get involved is by proposing a [new resolution](#), provided it is signed by the proposer and a seconder, each of whom must be an IFO member. Such [resolutions](#) are to be submitted to your campus Faculty Association. Resolutions not submitted through this process may be introduced at the Delegate Assembly, but only with a majority of delegates voting to consider it and it will require a two-thirds majority to pass. For more information on the IFO Delegate Assembly, click [here](#).

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](#).