

From the Desk of Jim Pehler

Who would have believed that in October and November we could experience such a variety of emotions and decisions that affected ourselves as individuals and our state? Obviously any election can be traumatic, but the events leading up to the election are probably unprecedented from our perspective.

Organizationally, we lost a true friend of higher education. **Paul Wellstone** was an advocate for higher education both public and private on the state and national level. We will miss not only his voice but his passion and commitment. The statewide election resulted in a new governor, a new leader in the Minnesota Senate and new majority and minority leaders in the Minnesota House of Representatives. We have 43 new members in the House and 21 new members in the Senate. This means that we need to make sure that we have a very strong coordinated effort of informing those members about the importance of having a strong commitment for the state universities and the Minnesota State Colleges and Universities (MnSCU) system.

One key area is the proposed budget and the need for additional dollar support for the state universities. The MnSCU request of \$107 million is hopefully a placeholder to maintain where we are without losing any ground. If we are to be honest about MnSCU's need for funding, we would need to request \$350 million. Knowing the problems with state funding, the \$107 million was arrived at as a basic survival budget.

When you take our state universities and begin comparing them to our peers, we see the inadequacy of the current funding process. The most recent peer group expenditure information (FY00) shows dramatic budget shortfalls at our state universities:

Bemidji State University	slightly above average
Metropolitan State University	-\$14,848,880
Minnesota State University, Mankato	-\$ 9,240,371
Minnesota State University Moorhead	-\$ 9,280,399
St. Cloud State University	-\$20,995,574
Southwest State University	-\$ 185,142
Winona State University	-\$ 7,973,695

Bemidji State University is slightly above its peers but remember, this is only the average. I would be proud to have an institution that is above average in terms of funding. For a full copy of the peer group expenditures report, please refer to our website www.ifo.org/peergroupp expenditures.pdf.

For the next three months we will need to concentrate on educating our legislators on the value of our state university system. We will be coordinating very closely with the Office of the Chancellor, Minnesota State Colleges and Universities Board of Trustees, student associations, other faculty organizations as well as other unions to bring our message forward.

In this issue please note **Russ Stanton's** personal analysis of the legislature; **Frank Conroy's** article on grievance timeliness; and, the final memorandum of agreement relating to the implementation of the contract. **Wil Harri's** analysis of the agreements is but the tip of the iceberg of the time spent by him, **Denise Haugen** and **Frank Conroy** to resolve and ensure a smooth transition to our contract implementation. Also, please note the article by **Patrice Arseneault**, who has been our point person on the salary equity issue. We are now ready to begin to do the work that was due to be finalized over three years ago. I also want to express my appreciation to the **Chancellor** for making sure that the contract was signed and implemented.

Provisions for Special Salary Payments

by Wil Harri, Office Administrator

Implementing the 2001-2003 IFO/MnSCU Agreement has required several special agreements between the parties. You may be affected or eligible for one or more of these special agreements as described below. Such special arrangements are acknowledged by a formal document, a Memorandum of Agreement (MOA), which is a one-time exception to the provisions of the contract.

Years Allowed for Career Steps

If you believe you qualify for more years of service than indicated by the years of seniority in the Seniority Roster (http://www.ifo.org/Seniority_Rosters/seniority_rostersHOME.htm), an appeal process has been agreed upon by MnSCU and the IFO. Years of service may be greater than years of seniority as a result of inter-campus transfer, retrenchment, administrative service or other unusual circumstances. Please consult the Guidelines for Calculating Career Steps as posted on our web site (<http://www.ifo.org/guidelinesforcalculationcareersteps.htm>) for details. A formal appeal should be sent to your Human Resources (Personnel) Office. We recommend that you send the IFO a copy of the appeal to the attention of Denise Haugen, 165 Western Avenue N, Suite 8, Saint Paul, MN 55102.

Special Early Separation Incentive for Faculty Over Age 55

If you are over age 55 before July 1, 2002 and accrue 15 years of service at the end of 2002-2003 academic year you are eligible for a full year's base salary (the early separation incentive) if you elect to retire with an effective date no later than the first duty day of the 2003-2004 academic year. Your notice of retirement must be submitted no later than November 30, 2002 to be eligible for this special waiving of the normal October 1st retirement notification date. You will also be eligible for the two-step salary increase in your final two semesters of employment. Please consult the ESI MOA posted on our website for the specific details (<http://www.ifo.org/SpErlySepIncOvA55MOA.pdf>).

Faculty Exceeding the Salary Schedule with Career Steps

As a result of the negotiated step advancements for this academic year, a limited number of faculty should be advanced beyond the top step of the salary schedule (Professor lane step 48). For such individuals, a one-time salary supplement will be made this year equivalent to the salary amount if additional salary steps were available. A permanent resolution to this matter will have to be addressed in negotiations for the 2003-2005 Agreement. The formal MOA on this salary supplement is posted on our website (<http://www.ifo.org/FacExcSSCarStpsMOA.pdf>).

Severance Payments

Effective June 20, 2002, all severance payments must be deposited in a Health Care Savings Plan (HCSP) account established on your behalf. The Plan is administered by the Minnesota State Retirement System (MSRS). The depositing of severance monies in the Plan accounts is mandatory for all faculty receiving severance at the time of separation from service. Such payments are 100% tax-exempt and funds are invested according to your preferences. The funds may be used to reimburse a broad range of medical and dental expenses including health insurance premiums. The specific contract language implementing this arrangement can be found at our website (<http://www.ifo.org/PostRet%20HC%20Acct%202002-05-29.pdf>). Our website also contains a link to the MSRS website (<http://www.msrs.state.mn.us/>) which describes and explains the procedures for the Health Care Savings Plan account.

No January Pay Increase

As a result of salary payments being averaged throughout this fiscal year there will be no change in your paycheck amount in January. The accompanying chart on the following page summarizes how salary amounts have been determined for other than full-time academic year appointments for this fiscal year.

Printed Contracts

It is unclear when and or if printed copies of our current contract will be made available. The home page of the IFO website contains a link (<http://www.ifo.org/Agree03/Agree03.htm>) to the full text of the current contract as well as both a summary document of all changes (<http://www.ifo.org/TASumpub.pdf>) and text of language changes only (<http://www.ifo.org/all%20language%20FINAL.pdf>).

IF0/MnSCU Agreement for 2001-2003
Special Compensation Computational Base for 2002-2003
 Prepared on October 18, 2002

Item	Citation	Agreement Language	MnSCU Basis for Compensation
Early Separation Incentive	Art.16, Sect. D, Subd. 3, page 62	Shall receive compensation equal to his/her base salary	Final base (i.e. salary grid) salary in effect at time of separation if employed full-time for the entire year. Average or "blended" base salary for the entire year if employed for single semester (either fall or spring) only
Severance	Art. 16, Sect. B, page 61	The faculty member's regular daily rate of pay at the time of separation	Final base (i.e. salary grid) salary in effect at time of separation if employed full-time for the entire year. Average or "blended" base salary for the entire year if employed for single semester (either fall or spring) only
Career Steps (single semester employment)	Art.11, Sect. K [new section]	Faculty working only fall or spring shall be compensated on a pro rata basis of the salary for the entire 2002-2003 academic year [new language]	One-half of fall and spring semester salaries combined
Overload	Art.12, Sect. B, Subd. 1, page 40	At the rate of 2.25% of the faculty member's 9-month base salary for each credit hour	Base salary (salary grid) in effect when the overload work is incurred
Summer Session	Art.13, Sect. C, page 41	2.25% of his/her 9-month base salary for the preceding academic year per credit hour	Base (salary grid) salary that is in effect at the end of spring semester 2003
Extended Duty Days	Art. 10, Sect. D, Subd. 2, page 28	Pro rata salary adjustment	Based on 9-month base rate in effect at time extended duty days are actually worked. If the HR Dept is not notified when the EDDs are worked half of the added days will be paid at fall base rate and half of the added days will be paid at the spring base rate. Faculty working only fall or spring semester who have added duty days at either end of semester worked will have such EDDs compensated at the average or "blended" rate
Early Notice of Retirement	Art. 11, Sect. C, page 38	Two additional steps ...In the final two semesters of employment	4.8% increase in actual salary provided total salary paid does not exceed \$94,157 (step 48). Overload and extended duty days are not counted in the salary maximum above (note: this amount is not included in salary for purposes of pension calculations)
Advancement Above Step 48 of Professor Lane			One-time salary supplement of 1.2% of the step 48 base salary (i.e. \$1,130) if eligible for one step beyond the salary grid maximum of step 48 or 2.4% of the step 48 base salary (i.e. \$2,260) if eligible for two or more steps beyond the salary grid maximum of step 48

The New State Government-Stark New Realities for Faculty

by Russ Stanton, Director of Government Relations

Minnesota state government will look very different when the legislature convenes on January 7th. We will have a new Republican Governor. Because of redistricting and Republican gains, the new legislature will be much more suburban and conservative than last session. The legislative leadership changed, as well as the leadership of the higher education committees. All of these changes will have important implications for faculty.

The Governorship

The election of Republican Tim Pawlenty to replace Independent Jessie Ventura as Governor will end four years of chaotic tri-partisan state government that gridlocked on a regular basis. Whereas Ventura had few supporters in the legislature, Pawlenty's party has a large majority in the House and is close to control in the Senate. He will probably be more effective at moving his agenda. Pawlenty is much more conservative than Ventura, and you can expect a big shift toward more conservative policies on issues like state spending (including higher education) and domestic partner benefits.

The Legislature

Twenty-one of the 67 senators will be new, 13 are Republican, and 8 are DFL. The Republicans had a net gain of 5 seats, leaving the new partisan breakdown at 35 DFLers 31 Republicans, and 1 Independent. This is the smallest majority the DFL has had in several decades, meaning they will have greater difficulty moving their agenda.

Forty-three of the 134 House members are new. Thirty of the new members are Republican, and 13 are DFLers. The Republicans increased their control of the House from 70-64 last session, to 82-52 this session. The House will be more conservative next session.

In the House, 8 incumbents were defeated: 7 DFLers and 1 Republican. In the Senate, 6 incumbents went down: 5 DFLers and 1 Republican. Sen. Deanna Weiner, who chaired the Senate Higher Education Committee, was defeated by only 24 votes.

Leadership

The Majority Leaders in both the House and Senate will be new. Sen. John Hottinger of Mankato will replace Roger Moe as Senate Majority Leader. Rep. Eric Paulson of Edina will replace Rep. Tim Pawlenty as House Majority Leader. House Minority Leader Tom Pugh resigned that post following the DFL losses in the elections, and Rep. Matt Entenza of the Highland Park area of Saint Paul was elected to lead the House Democrats next session. House Speaker Steve Sviggum and Senate Majority Leader Dick Day will remain in their same posts this session.

The defeat of Senate Higher Education Chair Deanna Weiner in the general election, and the retirement of the House Higher Education Chair Peggy Leppik means there will be new leadership on higher education issues. Five of the seven Republican members of the House higher education committee members retired from the legislature at the end of the last session, and four of the ten Democratic members of the Senate Higher Education Committee retired or were defeated since last year. This means the make-up of the majority on both committees will be very different.

What Does This Mean for the IFO?

Tim Pawlenty's election as Governor and the conservative swing in the legislature will have enormous implications for the IFO. Last session Governor Ventura supported ratification of state employee collective bargaining contracts negotiated by his administration. Rep. Tim Pawlenty led the opposition to ratifying the employee contracts. The House blocked ratification of the contracts. Fortunately Julian Carter, Ventura's Commissioner of Employee Relations, resubmitted the contracts to the Legislative Subcommittee on Employee Relations. The contracts were implemented on an interim basis and are awaiting ratification by the entire legislature next year (2003).

Last session Ventura proposed a solution to the state's revenue shortfall that included a balanced package of tax increases and spending cuts. Pawlenty, as House Majority Leader, successfully opposed tax increases of any kind, even increases in the cigarette tax to give an inflation increase to schools. The state now faces a revenue shortfall of over \$3 billion. Pawlenty pledged to not increase taxes. Most of the budget reserves were depleted last session. Thus, almost all of the shortfall will

have to be made up through budget cuts. Last year the spending cuts amounted to about \$221 million, including \$23 million to MnSCU. It will take cuts that are 13 to 14 times more than what was cut last session to solve the current budget shortfall!

The shortfall, coupled with the opposition to raising taxes, will present two dangers for faculty. First, higher education will not only be expected to shoulder its share of the cuts, it may be targeted because it has an alternate source of revenue (tuition) that can be substituted for state appropriations. Second, negotiating new contracts for state workers for the coming biennium will be very difficult.

What We Need To Do

The IFO needs to recognize the new realities following the elections.

First, if the IFO and other state contracts are not ratified by the end of the session (May 19, 2003), we will automatically revert to the insurance coverage and pay levels of the 1999-2001 contract. Timing is important. If the contracts are not ratified early in the session, they will remain open during the last half of the session when the debate intensifies over how to resolve the \$3 billion budget shortfall.

Second, the economy did not improve as we hoped it would, and the state leaders who were elected will not raise taxes substantially, if at all. There will be big budget cuts, and higher education budget cuts will be on the table. We will need to lobby like never before. We can start now by contacting our local legislators and encouraging them to seek one of the open seats on the higher education committees. We need legislators on those committees that will advocate for higher education and the state universities in particular.

Third, all campuses should set up meetings with their local legislators in December to begin lobbying on the budget and bonding bill. Both MnSCU and the IFO will be sending out materials on these issues in the near future.

Finally, all faculty members should participate in IFO's lobbying effort. In the months ahead I will be sending out many e-mail updates asking you to contact your legislators on various issues. Please respond to these requests -- the challenges are great and we have a lot at stake.

MnSCU Hires Consultant Group for Salary Review

by Patrice Arseneault, Equity Advocate

MnSCU has contracted with the Hay Group, Inc. to conduct the review of salaries as required by Article 11 of our collective bargaining agreement. The joint IFO/MnSCU Salary Review Committee (SRC) met several times this summer to draft a new Request for Proposals to perform the contractually required analysis of faculty salaries. The SRC interviewed representatives from three vendors who submitted proposals in response to MnSCU's Request for Proposals. The Committee recommended that MnSCU hire consultants from the Hay Group to conduct both the 1996-97 and 2001-02 faculty salary reviews, and MnSCU agreed with the Committee's recommendation.

During the month of November, the joint IFO/MnSCU Salary Review Committee will be meeting with two employees of the Hay Group who will be working on our salary review, Thomas McMullen and Malcolm Dow. Mr. McMullen holds a B.S. degree in Mathematics with a concentration in statistics and an M.B.A. from the University of Louisville, and is a Senior Consultant in the Chicago office of the Hay Group. Dr. Dow received his Ph.D. in Mathematical Social Science from the University of California and is a Professor Emeritus of Sociology and Anthropology at Northwestern University. He is an Adjunct Consultant to the Hay Group and has performed faculty salary equity analyses for other universities.

In the next several months, the consultant group will first conduct a review of the 1996-97 salary database, and then will complete a review of the 2001-02 salaries. Both reviews are scheduled to be completed in the spring 2003 semester, and the results of the analysis will be provided to the campuses.

The Importance of Being Timely

by Frank Conroy, Director of Labor Relations

The grievance procedure in Article 28 of the contract is the means by which the faculty can hold the university administration to the terms of the contract. This is not a matter to be taken lightly. The contract specifies the many rights, benefits, protections and prerogatives that faculty shall enjoy. Unless the rights and protections are enforced and protected from infringement, they could atrophy or be eroded by past practices of the administration.

You, the faculty, are the best keepers of the contract. Do not wait to file a grievance. Time is absolutely of the essence. If you decide to wait and see whether a problem will disappear or moderate with time, you will have no recourse to the grievance procedure once the time limits pass. A failure by the IFO or the grievant to file at the next step of the procedure within the time limits stated in the contract, constitutes a de facto acceptance of the prevailing condition or decision and results in a forfeiture of the right to further appeal. For example, if no meeting is held at a given step in the grievance procedure, or if there is no written response after or a meeting, or if the administration is strangely mute throughout, move on to the next step of the grievance procedure immediately.

Be aware of contractually permissible changes to the terms and conditions of your employment. If faculty is adequately notified, you cannot claim ignorance as a defense. Nor can you claim ignorance of the provisions of the negotiated contract.

Refer to Appendix A of your contract for the grievance form which is required to be used in accordance with Article 28, Step I of the grievance procedure. Of course, your local FA, grievance officer and the IFO Director of Labor Relations and staff are available at any time to assist you in determining when to file a grievance.

Become an IFO Member Now

Just fill out the form below and drop it off at your local Faculty Association Office or mail it to the Inter Faculty Organization (address below) or you may register on-line at www.ifo.org. The additional \$6.54 per pay check for membership dues will only be deducted for the remainder of the academic year; no back dues will be assessed.

PAYROLL DEDUCTION FORM

Please Print

APPLICATION FOR CONTINUOUS MEMBERSHIP IN THE MINNESOTA STATE UNIVERSITIES
INTER FACULTY ORGANIZATION/FACULTY ASSOCIATION

NAME (LAST, FIRST, MI)

EMPLOYEE ID NUMBER

ADDRESS

CITY

STATE

ZIP

UNIVERSITY

DEPARTMENT

I hereby apply for membership in IFO/FA. I understand that my membership will continue in effect until cancelled by me in writing or by termination of my employment.

I authorize my employer, the State of Minnesota, to deduct from my earnings an amount sufficient to provide for the regular payment of the current rate of membership in the IFO/FA, and will continue this method until further notice.

SIGNATURE

DATE

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