



Talking Paper #1: Staffing and Compensation at the University of Minnesota

AFSCME 3800 has long expressed our concern that the University of Minnesota has become a top-heavy organization and that the U needs to “chop from the top”. We have seen senior administrators use their positions to enrich themselves at the expense of frontline staff, faculty, students, and Minnesota taxpayers. In offices where once there were three clerical workers, now there are two, and sometimes just one. Yet our workloads have not reduced. With each management position added, the support we are required to provide has increased.

Over the past five years, we have carried out data analysis of staffing and compensation patterns at the U that have vindicated our anecdotal assessment. We repeatedly attempted to present that data to the University administration and discuss the ramifications of their staffing decisions. The U rejected our meeting requests and questioned the validity of our data, though the data was provided by them. We called upon the Board of Regents to exercise true oversight in the staffing and compensation decisions that the administration makes. The Board of Regents ignored these calls.

On December 31, 2012, the University’s administrative excesses made it to the front page of the Wall Street Journal. Their research shows that the U is worst among 72 peer research institutions in terms of tuition increases and growth in senior management positions.

The time has come for a change in direction at the University of Minnesota. Will this be a University that carries out its land grant mission? Will this be a University for the working people of the state of Minnesota? Or will this be a University that only serves the interests of the elite, and enriches administrators?

2008 – Layoffs for Union Workers; Continued Increases in Senior Management

When President Bruininks issued his “hiring pause” in October 2008, unionized workers feared that we would feel the chop of the budget axe before top University officials. We submitted data requests to the University in June and July of 2009 regarding layoffs, and three things quickly became apparent:

- There were inequities in staff reductions, with clerical workers getting hit hard while managers were spared;
- Human Resources and central administration did not track staff cuts to ensure that all employee groups were sacrificing more or less equally;
- The quality of staffing data used by the administration was at times poor.

In the first year after the hiring pause, clerical workers lost 80 jobs – primarily through layoff. This amounted to a cut of more than 4 percent of clerical staff. The Academic Professional group lost only 12 positions – about a half percent. Faculty saw a small increase in positions during this time, of about 25 positions.

This is the first in a series of talking papers on critical workplace issues for clerical workers at the University of Minnesota.

2009 & 2010– University President and Board of Regents Refuse to Meet with Union

U of M AFSCME requested a meeting with President Bruininks to discuss our research and the inequity between employee groups in layoffs. We also requested that he ensure that there would be accurate, centralized lists maintained by the administration to track staff changes. Bruininks refused to meet with us.

AFSCME also requested a meeting with the Board of Regents in March 2010, which was also rejected. Instead, we were told to meet with Kathy Brown, who was then Bruininks' top assistant and is now the Vice President for Human Resources at the University. We presented our research findings to Brown. Her response? The questions and concerns we raised were ignored. Brown neither challenged the validity of our research nor addressed the issues raised by us.

AFSCME decided to bring our message directly to the Board of Regents in multiple public hearings attended by many clerical workers. Numerous members testified and asked the Board to institute a policy similar to the laws governing state agencies. These laws require that if layoffs become necessary, management positions will be reduced at the same rate as front line staff. The Board of Regents ignored our request.

University Employee Groups:

Our analysis has focused on job code groups and their constituent employee groups. The four over-arching job code groups at the University of Minnesota are:

- **Academic Administrative:** Over 2000 people who do policy development and execution, and management. Half are in job titles like assistant, associate and director. The other half are mainly workers in the "coordinator" job title. This is the A side of the P&A employee group.
- **Academic Professional:** More than 3000 people who do service, research, teaching and professional duties. This is the P side of the P&A employee group.
- **Faculty:** Over 4000 people who do teaching, research and service.
- **Civil Service/Bargaining Unit:** Approximately 10,000 workers who do business operations, IT, student services, maintenance, accounting, and office and faculty support. Civil service workers are hourly, as opposed to staff in the other groups, which are salaried. Civil service includes unionized workers (AFSCME, Teamsters, building trades, law enforcement).

No Accountability for Furlough Money

In early 2010, AFSCME 3800 was leading the fight against mandatory furloughs. Money spent on padding the management payroll would be better spent on eliminating the need for the furlough, we argued. In an April 2010 follow up memo to the meeting with Kathy Brown, we wrote: "In order to respond to the economic challenges facing the U, and maintain our commitment to education and research, all sectors of the University must share equally in the sacrifice of the shrinking workforce. Immediately ceasing to hire new staff into the academic administrator employee group would be an excellent step in that direction."

AFSCME 3800 organized the U community to fight the furlough. At rallies, in meetings, with fliers and media interviews, we reiterated that rather than hammer all University staff with a furlough, the University should "chop from the top" and eliminate management positions. More than 7000 people (about 37 percent of University staff) responded to our web-based poll regarding the possible furlough.

A number of Regents finally agreed to meet with AFSCME, and we argued forcefully that the U should rely on a voluntary instead of mandatory furloughs. This message was echoed by many faculty, who were raising similar proposals in the Faculty Senate. While we were unsuccessful in eliminating the furlough entirely, we did get it reduced from ten to three days.

When AFSCME later requested an accounting of how the money saved through the three-day furlough was used, we were told that central administration had not required an accounting of this by colleges and units, and did no tracking of data.

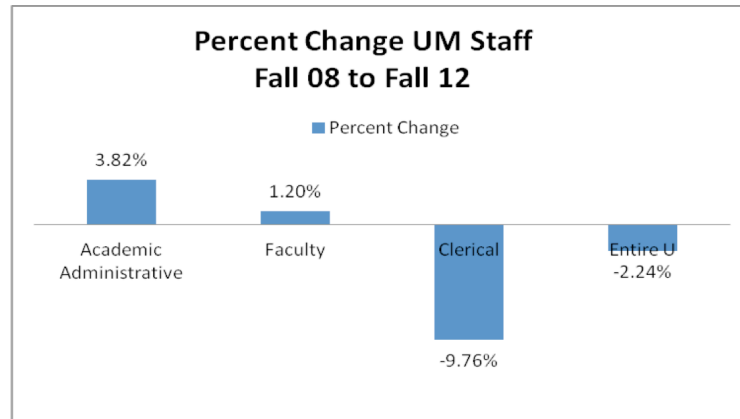
Patterns Continue in 2011, AFSCME Raises Issues in Bargaining

Between October 2008 through January 2011, clerical staff decreased 10%, while academic administrative staff had fallen by only one percent. In an open letter to the University community in April 2011, we wrote: "...it seems a self-evident contradiction of the University's core values that the leaders making the decisions about which jobs survive and which don't are spared from the sacrifices demanded of the rest of us."

At the bargaining table in the Summer of 2011, AFSCME 3800 negotiating committee members argued for equity in staff reductions across employee groups, presenting further updates on staff reductions. Once again, the University did not challenge our research findings or address our proposals. Instead, they simply ignored our arguments.

Union Findings:

Staff Changes: Our data shows that clerical staff decreased by almost 10 percent between Fall 2008 and Fall 2012, as opposed to academic administrative staff, which increased by 3.8 percent.



In 2008, there were 2218 academic administrative staff. Now there are 2313 – an increase of 85 positions. As a whole, however, the University did not increase in size – it decreased by 2.24 percent. If, beginning in 2008, the academic administrative group had decreased at the same rate as the University average, the group would have shrunk by 50 jobs, instead of increasing by 85 jobs. That would mean 135 fewer people in the Academic Administrative title than there are now. With an average of wage of \$85,099, and factoring in an extra 35 percent for fringe benefits (health insurance, pension, etcetera) that would mean an extra \$14.5 million available right now to deal with budget problems.

Potential for Equity Based Savings	
Average Academic Administrative wage, Fall 2012	\$85,099
Plus 35 % for benefits	\$114,884
Fall 2012 Academic Administrative staff	2313
Fall 2008 Academic Administrative staff	2228
Additional staff	85
Average University staff reduction Fall 08 to Fall 12	2.24%
What would that mean in reduced positions for the Academic Administrative group?	50
If the U had not hired 85 new people, and had cut 50 positions instead, how many fewer jobs would there be now?	135
What would that mean in salary savings today?	\$14,498,645.41

The Rich Get Richer: While frontline staff continued to be laid off, high paid management positions continued to expand. The hiring pause certainly did not include University executives.

\$200,000 to \$300,000	Fall 2008	Fall 2012	Change		\$300,000 and More	Fall 2008	Fall 2012	Change
Academic Administrative	56	62	10.71%		Academic Administrative	18	20	11.11%
Academic Professional	7	10	42.86%		Academic Professional	2	5	150.00%
Civil Service	0	0			Civil Service	0	0	
Faculty	125	138	10.40%		Faculty	18	30	66.67%

Staffing Data Only Accurate Two Days Per Year

After more than two years of ignoring AFSCME's concerns regarding staffing inequities, the Employer finally addressed our issues in the Fall of 2011 after receiving phone calls from a Star Tribune reporter asking about management staffing levels.

In the meeting, Human Resources officials, along with staff from the University Office of Institutional Research (OIR), told us that although the staff lists provided by HR to AFSCME were not exactly wrong, neither were they exactly right. The lists maintained by OIR were, they said, "more right." The OIR data is compiled twice yearly, on the 9th payroll period in October, and the 21st payroll period in April. They are in essence snapshots of all University staff on payroll at the time. These lists are used by central administration and the Regents to formulate policy and make strategic decisions. We were also told that the accuracy of staffing and salary data for any other days of the year could not be guaranteed.

In a December 2011 meeting, the University agreed to provide AFSCME with the OIR list at the end of that same week. We received the data in August of 2012. The main difference between the HR and OIR lists is that the HR lists included temporary staff and those on leave, and the OIR lists did not.

In the meantime, the Star Trib dropped the story on overall management staffing, and instead published an expose on the tradition of golden parachutes for upper managers.

Wall Street Journal Confirms Management Bloat

While the Star Tribune dropped their study of overall management staffing, the Wall Street Journal did just the opposite. Following months of research, they published an extensive investigative report on management staffing at the University that validated a primary conclusion of years of AFSCME's research: there are too many managers at the U and the organization is spending money on senior management positions that could better be applied to the University's core educational mission. The story was picked up by other local media, and has raised concerns among legislators and the Governor.

AFSCME Stands for Equity and Education

AFSCME remains committed to several core principles. First, there must be fairness and equity in staff cuts. It is unfair for those of us doing the most basic work to ensure the University's mission to suffer layoffs while managers escape the budget axe.

Second, the University must support students and the land grant mission, not managers. That means keeping tuition down, cutting management payroll, and applying resources to directly support teaching and research. In the past ten years, hundreds of senior management positions have been added, while tuition has doubled – making a quality education unattainable for the children of many working class Minnesotans. Look around a University office, and you will see AFSCME members, faculty, civil service and professional staff carrying out these roles – not upper managers.

University of Minnesota at a Crossroads

The story of staffing changes at the University of Minnesota over the last five years is one of disparities in staff cuts. Union members are still being laid off with regularity and vacated positions are going unfilled. Workers that remain work harder, work faster, and suffer more as they struggle to keep their colleges and departments afloat and provide the quality services needed by our students.

Management has not made the same sacrifice, particularly those at the highest levels. Many in the academic administrative group are coordinators, essentially professional employees with project-based non-managerial responsibility. However, most workers in the academic administrative group are not coordinators. They are glorified supervisors, middle and upper level managers who do not teach and do not do research. They do not interact with students. Yet, thus far, they have been spared from staff cuts and financial sacrifice while those of us who do direct work supporting the core mission of the University have faced layoffs, cuts through attrition, furloughs, and wage freezes.

AFSCME has repeatedly shared our findings with the University administration. In return we have been ignored or gotten lip service. The administrative excesses have made front-page headlines in both local and national media outlets. The time for a change in direction is now.

Without a serious re-evaluation of the University of Minnesota's original mission to provide accessible and affordable education, or its ability to provide decent, career jobs for all workers, the future for students, workers, and all Minnesotans is at risk. The U needs to chop from the top. It also needs to become accountable to the citizens of the state of Minnesota.