PRESIDENT'S MESSAGE

by Nicholas C. Yovnello

On February 18, 2004 I was invited to speak at the NJ AAUP’s Higher Education Conference. The conference, which was held in the Assembly Chamber at the State House, was attended by a number of legislators as well as by officers and members of the statewide AAUP organization and Rutgers AAUP.

My talk not only covered the perennial problems we face in higher education in New Jersey, but it also reviewed the remedies that the legislators should adopt if higher education is ever to meet the needs of New Jerseyans. Here’s what I told the conferees:

The current higher education system, consisting of the Commission on Higher Education, the President’s Council and Boards of Trustees, operates without central oversight and is to meet the State’s needs.

New Jersey has never really tackled the long-standing problems of funding higher education. Even during the best of times under former Governor Kean, higher education suffered fundamental budgetary problems. Too many strings were attached to funding and new initiatives were not supported in the long term.

Despite the Commission on Higher Education’s more active role in calling for increased investment in higher education, New Jersey still has major problems in the following areas that keep its colleges and universities accessible and affordable:

State investment has lagged in recent years

The Five-Year Assessment and the Commission’s Fifth Annual Systemwide Accountability Report (NJCHE, 2001) both indicate that state support for higher education has suffered significantly under the current governance structure. There has been an increasing cost shift to students and strain on the system.

Increased reliance on tuition for public colleges and universities constitutes a regressive cost shifting towards those most in need of support. Sadly, the current governance system helped New Jersey become a leader in shifting the responsibility for funding higher education towards students. We do not want to be known for this kind of leadership.

Statewide coordination of budgeting has not developed

The 1994 budget was basically anti-coordination. Without such coordination, there is no planned distribution of funds that takes into account the good of the whole system.

Capital needs have not been addressed

The physical plants of the higher education system have also deteriorated.

There are no regular appropriations for capital improvements or renovation and repair. The Commission itself has noted that “state appropriations have been extremely sporadic—no funds at all were appropriated for capital improvements in 5 of the last 11 years” (NJCHE October 2000).

The State has issued some bonds for higher education infrastructure. The required matching funds from the individual institutions have meant that their cost is passed on to the students who can least afford this burden. The four-year colleges and universities in particular have had to borrow heavily to meet the matching requirement, passing costs along to students in the

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DOMESTIC PARTNER BILL BECOMES LAW

The Public Employees’ Occupational Safety and Health Act (PEOSH) is an important piece of legislation that all AFT members should be aware of.

N.J.S.A. 34:6A-26 et seq. provides:

The Legislature finds that the safety and health of public employees in the workplace is of primary public concern. Personal injuries and illnesses arising out of work situations result not only in wage loss and increased medical expenses for employees, but also in decreased productivity and increased workers’ compensation expenses for employers. The Legislature therefore declares:

A. That it is the policy of this State to ensure that all public employees be provided with safe and healthful work environments free of recognized hazards,

B. That it is the responsibility of the State to promulgate standards for the protection of the health and safety of its public workforce, and

C. That it is in the public interest for public employers and public employees to join in a cooperative effort to enforce these standards.

As the AFT representative to the PEOSH Board, I have learned that the board is very concerned about the safety and health of public employees. When people think of PEOSH they always think of facilities, safety, and workers injuries. I wanted to know how professional staff, faculty, and librarians fit into the overall picture of PEOSH. I learned that there are many areas of concern that directly involve professional staff, faculty, and librarians. Two of these are: 1) adherence to the Indoor Air Quality Standards for public employees (Alert #5, March, 1997) and 2) establishment of effective employee emergency and fire prevention plans at all of our institutions. These plans should be written in and be communicated to all employees.

The Department of Labor has an occupational safety and health training unit that, upon request, will visit any particular institution and provide training and/or discussion about a variety of things including the aforementioned policies. These free training programs are intended to teach both employers and employees how to maintain a work environment that is free of recognized safety and health hazards, and how to comply with PEOSH standards.

Under PEOSH, any employee, group of employees, or employee representative who believes that a violation of a health standard exists, or that an imminent danger exists, may report it in writing to the Department of Labor, or to the local or county health department.

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NEW AGREEMENTS NOW ONLINE

2003-2007 Full-Time Faculty and Adjunct Faculty AGREEMENTS are now available for viewing on the Council’s Web site at www.cnjscl.org

The State has not yet completed formatting the text for printing. We will advise Locals when the printed versions are available.
Beginning January 1, 2004, adjunct and part-time faculty became eligible for enrollment in NJPLUS of the State Health Benefits Plan (SHBP), with coverage effective March 1, 2004.

A glance at the Premium Rate Charts shows that the employee who signs up faces some big monthly bills. For example, an employee, buying insurance for himself or herself, faces a monthly premium of $314.85, plus $113.09 for prescription coverage, for a total of $427.94. An employee who wants insurance for his or her spouse as well, would pay $686.27 for health insurance plus $258.49 for prescription coverage for a total of $944.76.

So, as the politicians say, are you better off than you were a year ago? Yes, if you want substantial coverage.

You can buy Horizon's Basic Plan A50—one that the State requires insurance companies to offer people buying insurance as individuals. This plan has either a $10,000 or $5,000 deductible. If you choose the larger deductible, insurance will cost you $234.55 a month, with the smaller deductible it's $163.72 a month. There are also plans with smaller deductibles—e.g., $2,500 and $1,000 which will run the employee anywhere from $625.54 to $734.13 a month. With these plans, you have co-insurance—what you pay—of anywhere from 50% (in the A50 plans) to 30% a month for more expensive plans. You can get better terms as to deductible and co-insurance, but now you looking at bills of over $1,000 a month.

You could buy an HMO from Horizon, which won't have deductibles and co-insurance for $389.51 a month; however, you will have $30 copays when you visit the doctor. If you sign up for a plan that costs $490.59 a month, you can get $10 copays for most things—except prescriptions where you pay 50% of the cost. Of course, since this is a managed care plan, you must go to doctors who are part of the network.

NJPLUS, is, as they say in the health care business, a very “rich” plan. Here are some of the reasons why. You have no deductible for in-network care, your office visits will be $10 as of July 2004, while your prescription costs will be $3 for generic drugs and $10 for name-brand drugs. If you go out-of-network for medical care, NJPLUS pays 70% of your costs.

So, unless you are comfortable with very high deductibles, it’s hard to do better than NJPLUS—and still have insurance.

Rowan’s Retirees’ Chapter

Many faculty and staff at Glassboro State College—aka Rowan University—were part of the initial group that started the Council in 1973. Participated in its first strike vote and negotiated the first contract in higher education with a real grievance procedure. We staged the first strike of a higher education unit in the country. Time and again we overcame NJEA challenges, budget cuts, legislative battles, administrative attacks on our contract, etc. etc. etc.

So it should not be surprising that, while we looked forward to retiring, many of us also wanted to stay involved with our union. We had formed strong bonds within the union and wanted to keep them intact. Our former negotiator and vice-president Al Taylor started our retirees’ chapter upon his retirement in 1987. We quickly incorporated the chapter into our Local. (Though Al lives in Tucson, Arizona, he is still a member of our chapter. In fact, out of our sixty-six regular chapter members, about 15% live out of state.)

I retired in 1991 and have been president of our chapter since 1993. Since then, our membership has grown and we have expanded our activities considerably. Throughout the sixteen years of our chapter’s history and especially during the past years, we have enjoyed financial and clerical support as well as enthusiastic acceptance by our Local, components that are essential for any retirees’ chapter to succeed.

What I have learned through our surveys and responses to my regular letters to our members is that even people who have moved far out of state wanted to stay in touch with friends in the AFT. What they didn’t want to do was anything that resembled the kind of grunt work we all used to endure!

So our meetings are fun—we put together varied and interesting programs; we attend all of the Local’s parties. We have established our own scholarship program. When our Local needs us, we help, as some at Rowan may remember, we joined the Local’s picketing before a Board of Trustees meeting to protest Rowan’s layoff plans. One of our pickets was the then 92-year-old Dr. Hoyle Carpenter.

Our chapter is stronger now than at any other time in its history. AFT advisor’s that to have a viable retirees’ chapter, the chapter needs at least 15% of its potential membership—our membership is over 35% of our potential. Also those who don’t attend our meetings stay in touch through regular chatty letters, email, and our newsletter—just initiated this year.

As the University grows and as the years since our retirement increase, our chapter allows our members to meet or stay in touch with the colleagues from their career at the University and also to feel that they are still contributing to our union. We retirees provide continuity with the Local’s past and we continue to be interested in our Local’s present concerns and future plans.

AFT retirees are community activists, willing COPE volunteers and potential mentors; they offer locals a level of support that they would be hard-pressed to find elsewhere.

Interested in forming a chapter on your campus? Let your Local know. Experience the action and fun that we retirees at Rowan have had. Let me know too—I’d be happy to share ideas and experiences and help start another chapter or two. Feel free to call me at 856-216-8104.

Rose Glassberg, Ph.D.Past President, Glassboro (Rowan), AFT Local 2373, Past Executive V.P. CNJSCL, President, FORCE Retirees’ Chapter, Local 2373

DOMESTIC PARTNER BILL BECOMES LAW

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New Jersey has joined a growing number of employers who offer unmarried workers health and other benefits. According to the Human Rights Campaign website, several thousand private employers and over 50 cities, counties and states offer benefits.

Providing domestic partner benefits is definitely the right thing to do. After all, employee benefits are sometimes as much as 40% of an employee’s total compensation. Thus, denial of employee benefits to a class of workers who are not permitted to marry results in a significant reduction in their total pay. Those gay employees with domestic partners who do not have the same benefits package as married employees are clearly not receiving equal pay for equal work.

These benefits carry no significant extra costs to employers. In fact, administrative costs of adding these benefits have been shown to be insignificant. They are actually no greater than the added costs the employer incurs when an employee marries.

Employers actually benefit from instituting domestic partner benefits. Employers can improve their competitiveness by adding these benefits, promote employee loyalty and enhance their public image.

A large number of colleges and universities in the U.S. were already offering domestic partner benefits to their employees when the Governor McGreevey signed the Domestic Partner Bill. Thanks to Assemblywoman Weinberg, the Legislature, the Governor and the various activists who lobbied for the bill, New Jersey’s state colleges and universities are now part of “doing the right thing.”
form of higher tuition and fees. The four-year institutions have also had to borrow for any expansion in dormitories, athletic facilities or student activity centers.

Equally disturbing is that much of the revenue generated by the bond issues is going for renovation and repair of academic facilities. The need to borrow in order to meet ongoing maintenance needs speaks to a serious structural deficit in the funding system. Notably, the institutions have amassed a record amount of debt and some have had their bond ratings lowered. Adequate appropriations from the state should be available so that basic repairs and maintenance can be done on a pay as you go basis.

It was only in February 1999 that the Commission issued a study on Capital Investment. It waited two more years before it made recommendations for the future that dealt in dollars and cents. It recommended that the state and the colleges and universities plan and coordinate their spending. However, no current structure exists for them to do so.

Management salaries have escalated and “Management Bloat” has increased

“Management bloat” refers to the ever increasing propensity of the colleges and universities to create additional layers of unnecessary managerial employees. At one time a major division of a college/university would have not only a Vice-President, but now it is likely to also have Associate and Assistant Vice-Presidents assigned to it. In the past, the Council has studied the ratio of managerial employees to those who deliver services directly to students and found that there are significant imbalances.

Moreover, it seems that anything goes with respect to salaries. Boards of Trustees routinely approve substantial increases for College/University Presidents and senior administrators. Presidents are in a contest in which the larger institutions play salary tag; i.e., when one president gets an increase, the others follow along shortly. This out-of-control system will persist unless there is a return to a statewide salary guide for managerial employees.

Increases in tuition and fees have not moderated

One result of poor state control has been large tuition increases, especially at the state colleges and universities.

While decentralization has brought flexibility to the different institutions it has also created major inequities in tuition and fees. The difference between the highest and lowest priced state college in 1994–95 was already high at $1267. In 2000–01, it increased to $1506. For this academic year (2003–04), the difference per semester including fees rose to $5,580.

What Should Be Done

As demonstrated above, New Jersey’s present governance system has not been able to address key problems that most states face. The 1994 system has clearly demonstrated that it will not be able to deliver affordable, accessible higher education to New Jerseyans and that it cannot employ state resources effectively and be accountable to the taxpayers. A system that does that requires a stronger voice at the state level, stricter authority over program changes by institutions, a coordinated budget plan, oversight of facilities construction and overall system capacity. There must be:

- Stable multi-year budgeting
- Full funding of capital needs
- Student aid programs should be funded separately from the funding higher education per se
- Funding for capital construction must be accompanied by increases in operating budgets. Without increases in operating budgets, colleges and universities are forced to increase tuition and fees. New construction requires funds for on-going maintenance, hiring support staff, and periodic upgrading of its technology structure.
- State funding for 2/3 of the operating budgets of the institutions

Balancing the budget will continue to be a difficult task for some time to come. Adequately funding higher education will not be easy. Forecasts by economists indicate that Federal budget woes will exacerbate the efforts of many of the states to bring in balanced budgets.

New Jersey is currently projected to have a 19% budget gap with no easy fixes in sight, as these have been mostly used up.

Nonetheless, we are asking legislators and the Governor to add higher education to the list of must-fund programs. Failure to enhance funding for higher education will put New Jersey further behind in achieving the goal of affordable and accessible higher education for its residents.

Finally, higher education must come under mandatory central authority in order to avoid the waste and duplication that is inherent in the present system, with its lack of central planning and mission creep.