

## PRESIDENT'S MESSAGE

by *Nicholas C. Yovnello*

# The never ending budget crisis in New Jersey

A state facing difficult fiscal times is hardly news these days. Tough fiscal times are the rule in most states. However, things are especially bad in New Jersey because we experienced a double fiscal crisis last year. Governor McGreevey inherited a deficit budget that had to be balanced before the end of the fiscal year. As a remedy, McGreevey proposed huge cuts that turned out to be inadequate. Now, with New Jersey's revenue projections down and one time quick fixes exhausted, he has proposed a budget in which, as he puts it, the major element is "shared pain."

Despite the Administration's claim that FY2002 and FY2003 budgets were balanced without layoffs, the fact is that layoffs did occur at Rowan. However, McGreevey did a great job considering the fact that he inherited a number of poor fiscal decisions from the previous administration, a downturn in the State's economy, and had relatively little time to plan and implement new fiscal policies.

The budget for FY2004 is a different story. It does more than "share the pain." It is a "budget of shame." It neglects the state's major social and cul-

tural programs, its departments and agencies and its public employees who provide essential services to the people of this state.

Public higher education took a major hit in the budget. It is particularly harmful because of the previous two budgetary hits to our sector and because of the compounded hits in the FY2004 budget. While the announced cut is 10% for the institutions the Council represents, the cut is in reality 12 to 15% because of cuts to auxiliary accounts.

What does the FY 2004 budget mean for specific institutions and the employees we represent?

According to Arnold Speert, President of William Paterson, that institution will face a 15% reduction in its appropriation. In a memorandum dated February 3, 2003, Speert told the University that WPUNJ would freeze hiring, defer major purchases, repairs and improvements and seek more economies to cope with the loss of \$5 million or more.

At Kean, Interim President Esposito told employees that KU lost \$2.8 million in spring of FY 2002 and guessed that there might be a similar cut this



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spring, which will not be restored. In addition, KU's appropriation for FY2003 was cut by \$4 million and this year's proposed appropriation cuts an additional \$4.8 million. Esposito further anticipated that Tuition Aid Grants (TAG) would be cut and the University would have to make up the difference. These cuts, along with no money from the state to cover increases in fixed costs, would leave the University with a total loss of between \$10-12 million.

A number of institutions are discussing the possibility of reducing enrollments and evaluating a host of other economies.

Budgetary cuts are really stopgap measures that do not address long-term fiscal woes. Past years of underfunding have already impaired the colleges' and universities' operations and their ability to offer quality programs and adequately address the problem of the outmigration of some of New Jersey's best students.

*(Continued on page 3)*



# What's on the table

## Demands finalized

The Council has approved the UNION's contract demands for both units. They were presented to the State at the first negotiations meeting held on March 21.

Demands for the full-time/part-time unit will be offered in two phases.

### Full-time/part-time unit demands

#### Salary (XXI)

An across-the-board salary increase  
Additional steps at the top of each salary range  
Free tuition and fees for employees, spouses, partners and children at state institutions  
Improved compensation for department chairs  
4:3 teaching credit hours for graduate instruction

#### Health Benefits (XIX)

Extension of benefits to domestic partners  
New eye care plan

#### Professional Staff & Librarians (XVI and XVII)

35-hour week for professional staff and librarians  
Compensatory time for professional staff and librarians  
Professional staff employee option to switch from 12-month to 10-month status  
Administrative leave for professional staff and librarians  
Faculty status and rank for librarians  
Range adjustment program for librarians

#### A.H. Moore (Appendix III)

Bonus for perfect attendance for A. Harry Moore teachers  
Improved compensation for Student Teacher Program & Junior Practicum  
Professional days

#### Part-Time Employees

Health benefits for part-time employees (XIX)  
Improved reappointment procedures for part-time employees (XIII)  
Job security for part-time employees (XIII)  
Same promotion procedures for part-time employees as full-time employees (XIV)

#### General

Additional compensation for development & teaching online courses\*  
Bereavement leave  
Binding arbitration of discipline of non-tenured employees\*  
Contractual protection for intellectual property rights\*  
Eligibility for sick leave injury when voluntarily performing additional duties  
Energy savings program  
Ergonomically appropriate equipment and practices\*  
Guaranteed free & convenient parking (XI)  
Increased release time for Union officers (X)  
Increased summer and overload compensation (XII)  
Increased compensation for teaching laboratories, studios, etc. (XII)  
Increased reimbursements for travel (XXIII)  
No harassment clause \*  
Protection from extreme temperatures in the workplace (XXX)  
Sabbaticals at full pay (XXVII)  
Semester updates of employment information (XI)  
Transition to retirement program (XV)

Non-economic demands were presented first, with economic demands to follow when the state's financial picture is clearer.

Here are some of the highlights of demands for both units. The contract articles involved appear in parentheses after the subject.

### Adjunct faculty unit demands

#### Salary (XII)

Increase in the per credit rate  
Additional compensation based on years of service  
Additional compensation for advanced degrees  
Tuition and fee waiver for adjunct faculty, their children, spouses and domestic partners  
Additional compensation for developing and teaching online courses

#### Health Benefits\*

Partial reimbursement of health insurance costs

#### Seniority \*

New seniority system for assignment of classes

#### Recognition of adjunct faculty service\*

Titles (Instructor through Professor) based on years of service

#### Employee Rights \*

Improved language on parking, ID cards, E-mail access, etc.

#### Faculty Responsibilities\*

Definition of credit hours, compensation for labs and independent study, etc.

#### General

Binding arbitration of all grievances, including discipline (VI)  
Contractual protection for intellectual property rights\*  
Increase in the penalty for cancellation of a course less than two weeks before the start of classes (XI)  
Right to reasons upon notice of nonreappointment\*  
Adjunct faculty locals have rights akin to those of integrated locals\*  
Creation of adjunct faculty handbooks in consultation with Local UNIONS (XI)  
Require college/universities to negotiate with Local UNIONS over evaluation procedures (XI)

Items marked with an \* are new articles, clauses or subjects

## News Flash

The bills to expand the State Health Benefits Commission to include two union representatives have passed both houses of the Legislature. The Senate bill has merged with the Assembly bill, so it is **A-2574** that is now on the Governor's desk.

PLEASE CALL THE GOVERNOR AT 609-292-6000 AND REQUEST THAT HE SIGN A-2574.

*We're almost there!*

## Council hires managing staff representative

After a national search, the Council has hired Steve G. Young as Managing Staff Representative.

Young will have a full plate. Not only will he direct and supervise the daily work of the Council staff and oversee the Council's office operations, he will assist and advise Council and local leaders with contract administration and union affairs. Young will begin in April by participating in the negotiations for the new contracts. In addition he will oversee grievance handling and arbitrations, represent the Council before public bodies, and work with the staff in designing and carrying out development activities such as workshops. He is also expected to direct the Council's publications activities.

Young is more than well prepared to assume his new duties. From 1995-2001, he served as President of the American Federation of Musicians International Union (AFM), which is comprised of over 250 locals and 110,000 members in the U.S. and Canada. As President, he negotiated and administered many agreements, oversaw finances, created programs to improve member services, and initiated policies to increase diversity within the AFM.

Young brings extensive experience in pension management and office technology to his new job. In defending the copyright interests of the musicians he represented, Young also acquired thorough knowledge of copyright issues.

Before he joined the International Union, Young was President of AFM Local 9-535 in Boston, Massachusetts.

Young taught music for twelve years at the Berklee College of Music in Boston. While there, he used his position as head of the local musicians' union to support the lengthy strike that led to the recognition of the AFT as the bargaining agent at the College. As a professional musician, Steve performed (on the bassoon and other woodwinds) with major symphonies, opera companies and star entertainers.

The Council welcomes Steve to his new job. Senior Staff Representative Barbara Hoerner will be acquainting him with the Council environment so that he is fully prepared to assume her duties when she retires in December.



Steve Young

## Council wins victory for adjuncts in unfair practice settlement at Montclair

Perhaps the greatest advantage of belonging to a Union is that salaries are determined by collective bargaining between the bargaining agent and the employer. Salaries cannot be set by the employer alone. Salaries for our bargaining units are set through negotiations between the Council and the State. This means that individual colleges and universities have no authority to set salaries. Last semester, Susan Cole, President of Montclair State University (MSU), tried to end run both the Council and State, but the Council stopped her in her tracks.

During December 2002, MSU decided that it would increase adjunct faculty salaries for the spring semester by \$50 per credit. MSU made no request to negotiate over the change. Rather, it acted as if the Council and Local did not even exist and ignored the fact that it would have to work through the employer, the State. The Council received one perfunctory phone call from the Administration stating that the salaries would be increased, effective spring semester 2003. The Montclair adjunct faculty local did not even receive that courtesy.

Although pleased that adjuncts at MSU would receive a salary increase, the Council filed an unfair practice charge with the Public Employment Relations Commission (PERC) to defend its collective bargaining rights. The Council, of course, insisted that the increase remain in effect, but it demanded that the University not act unilaterally in the future.

MSU tried to cover its refusal to negotiate by claiming that it Article XII A of the Adjunct Agreement gave it the right to change salaries unilaterally. It based its right to implement the increase on the statement "Each College/University has the right to pay employees above the minimum adjunct rate based on policies and practices established by the College/University," deliberately ignoring the rest of the clause that contained clear language stating this right applied only to selected individuals.

The Office of Employee Relations represented Montclair State before PERC. It quickly realized that the University had no case and settled with the Council. Under the settlement, the \$50 per credit increase remains in effect. The settlement also reminded the University of the fact that "Article XII A of the Adjunct Agreement does not permit any college or university to implement an across-the-board salary increase for all adjunct faculty in the unit."

As negotiations for a new Adjunct Agreement begin, our demands for higher salaries and other improvements will be presented in the correct forum: the Council-State bargaining table.

### Council joins anti-war coalition

As President Bush prepares our nation for war against Iraq, the labor movement has taken a stand for peace.

On January 11, sixty unions and Central Labor Councils met in Chicago to form US Labor Against the War. A few weeks earlier, New Jersey unionists, including the Council, met to discuss formation of New Jersey Labor Against the War (NJLAW). On February 14, Council delegates voted to join this NJ-based coalition.

NJLAW includes the New Jersey Industrial Union Council, New Jersey Jobs with Justice (two organizations in which the Council already participates), and various local unions from the Communication Workers of America, Local 54, Hotel and Restaurant Employees, Local 1199, Service Employees International Union and the Bergen County and Burlington County central labor councils, among other unions.

The AFL-CIO and more than 200 unions representing more than 5 million workers have also criticized the Bush Administration's war drive.

For more information, contact Staff Representative Bennett Muraskin at the Council office or visit the following websites: [www.uslaboragainstawar.org](http://www.uslaboragainstawar.org) and [www.njlaboragainstawar.org](http://www.njlaboragainstawar.org)

### Council joins Fair Tax Coalition to fight budget cuts

The Council is acutely aware of the state's fiscal crisis and its harmful implications for higher education. The Council can and will fight for higher education's fair share of the budget, but, with a gigantic deficit looming, there is a limit to what it can accomplish on its own. Therefore, the Council has decided on a proactive approach to fighting drastic budget cuts.

The Council has joined the New Jersey Citizen Action (NJCA) Fair Tax Coalition. Its aim is to increase state revenue by temporarily raising income tax rates on the wealthiest 2% of New Jersey taxpayers. To aid our poorest citizens, its agenda also includes a tax cut for 9% of taxpayers. This would be accomplished by raising the amount a family can earn without paying any income tax from \$20,000 to \$25,000.

The current top NJ income tax rate is 6.4%. It is levied on families with taxable income over \$150,000 and individuals earning over \$75,000. By raising the marginal rate to 9.5%, on family incomes exceeding \$1 million (\$500,000 for individuals), 8.5% on family incomes from \$600,000 to \$1 million (to \$300,000 for individuals) and to 7.5% on family incomes from \$400,000 to \$600,000 (\$250,000 for individuals), the State can raise nearly \$3 billion over the next three years. Since New Jersey's highest income

earners will continue to benefit from President Bush's federal income tax cuts and former Governor Whitman's state income tax cuts, this model proposal will still leave them with a substantial windfall.

This is by no means a "soak the rich" scheme. Currently, New Jersey's low and middle income population pays a higher percentage of its income in state and local taxes than do the wealthiest 1%. Of the 40 states that have an income tax, over half have a higher rate than New Jersey. Furthermore, this modest tax increase would expire after three years. The alternative is increased property taxes, reduced state aid to higher education, drastic cuts in state services and disguised tax increases in the form of higher user fees and college tuition costs.

The NJCA Fair Tax campaign has attracted the support of a wide range of labor, community, religious and civil rights organizations. The Council is already represented, but AFT locals may also join. As the campaign gains momentum, we will call on you to contact legislators, write letters to the editor and engage in grassroots organizing. For more information, go to [www.njcitizenaction.org](http://www.njcitizenaction.org) to the Fair Tax Campaign link or contact Bennett Muraskin at the Council office at 908-964-8476.

## AFT adds more member benefits

AFT, as an affiliate of the AFL-CIO's UNION PRIVILEGE PROGRAM, expanded its offering of member benefits in recent months.

In addition to their Supplemental Insurance, Car Rental, Hearing Care Services, Travel and Discount magazine offers that have been around for years, AFT now offers a Dental Plan, Vision Care Services, Pet Insurance and information on your FICO Score.

To learn more, go to [www.aft.org](http://www.aft.org) and click on AFT PLUS Member Benefits to see the entire list of benefits and learn more about them. If you decide to avail yourself of any of the benefits, you will be asked to provide your Local's number and proof of membership.