FAIR CONTRACT NOW!
THE MISSION & PURPOSE OF THE CALIFORNIA FACULTY ASSOCIATION

The California Faculty Association is the exclusive collective bargaining representative for the California State University faculty, including tenure-track faculty, lecturers, librarians, counselors and coaches.

According to the CFA Bylaws, last revised April 2009...

The CFA is established to strengthen the cause of higher education for the public good; to promote and maintain the standards and ideals of the profession; to provide a democratic voice for academic employees; to provide legislative advocacy; and to maintain collective bargaining agreements covering salaries, working conditions, and other items and conditions of employment. These agreements shall seek:

a. To obtain explicit guarantees of academic freedom, tenure, and academic due process;

b. To create orderly and clear procedures for prompt consideration of problems and grievances;

c. To promote and protect the professional and economic interests of CFA and all bargaining unit members and;

d. To promote unity among academic employees and thereby enhance the effectiveness of the CFA in representing these employees.
From the moment Reed left Florida and came to California in 1998, he sent strong signals that he wanted to remake the California State University and dramatically change the role of faculty. He attacked tenure and, apparently unfamiliar with the teaching done on our campuses, he blithely claimed we work very little.

In the last few years, as the economy of the US and California tanked, the Chancellor seized on this crisis as “a terrible thing to waste.” With the encouragement of some members of the Board, he has taken the opportunity to implement long dreamed of changes that would remake the university, remake our profession, and remake the faculty.

Since 2009 he has rolled out initiative after initiative with little or no consultation with the faculty. One need only recall Sir Michael Barber’s “deliverology”; the SB 1440 inspired American Institutions waivers; and the rapid expansion of the CSU’s for-profit arm—Extended Education—to see how this administration has taken advantage of the crisis and consistently shut out the voice, professional expertise and wisdom of the faculty.

Indeed, as we have seen at Trustees’ meetings, the administration quite openly regards the faculty as an “obstacle” standing in the way of these changes.

Nowhere is the effort to “remake” the faculty more apparent than at the bargaining table. The massive sea-changes in the CSU in recent years as well as the take-backs the Chancellor has proposed since bargaining began on our next contract make one thing clear: what the Chancellor thinks he “needs”...
out of this round of bargaining are provisions in our contract that will force changes in the very nature of the CSU as a public university, the faculty’s role in it, and the fundamental “job” of being a faculty member.

CFA’s bargaining proposals have been designed to resist the Chancellor’s “vision” of the CSU and the dangerous take-backs he has proposed.

Even more important, however, CFA has made proposals that reflect a different vision, one based on the principle that professional working conditions for the faculty and reasonable learning conditions for students are essential for quality education. Key values underlying our proposals include the following:

Faculty need working conditions and students deserve learning conditions that make quality education possible.

For example, the faculty, whether through campus Senates or other campus curriculum approval processes, should decide the pedagogically appropriate sizes for classes. The contract should enforce these class size limits. If class size limits are exceeded, faculty should be compensated with extra pay or future course-load reductions.

No privatization of the CSU: California needs a university that is public and affordable.

Broad new initiatives to expand extension and to move courses and programs into it are making a college degree more expensive for students and making the CSU increasingly resemble a “for-profit” university. In line with that model, the CSU wants pay for faculty teaching in extension, even when summer courses are moved to extension, to be lower and benefits to be non-existent. If the CSU management gets this “piece work” model for faculty pay, the mad rush to extension will only accelerate; students will pay more and any faculty member who finds his or her work in extension will earn much less.

To counter this dangerous trend, CFA proposes to:

- Maintain summer pay rates that are based on regular academic year pay rates—and reject the pay cuts for teaching summer sessions that the Chancellor proposed,
- Extend regular academic-year pay rates and benefits to all for-credit courses taught through extension,
- Recognize officially academic freedom in the contract for all faculty work, including extension and online education.

Students need a stable faculty workforce.

When we ensure that faculty members have long-term jobs, we also ensure that our students can rely on us to help them throughout their years in college. CFA proposes to:

- Increase tenure-track hiring. With more than 500 tenure-track positions lost in the 2010/11 academic year alone, the dangerous downward trend has accelerated and must be reversed. (See details on loss of tenure-track positions by cam-

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Resolution in Support of Successor Contract Bargaining

Assuming that the successor contract bargaining is not settled in fall, the Board of Directors recommends that local chapter and statewide leaders plan and implement escalating activities building up to the end of the term that will pressure the CSU and its bargaining team to agree to a fair contract.

These should include escalating actions during the fall term that will galvanize the campuses and encourage even broader participation among the faculty, students and staff.

Having had broad discussions among CFA leaders and activists about the kinds of activities that would be effective, the Board authorizes the statewide officers to determine the exact nature of the culminating action for November 2011.

Adopted by the California Faculty Association Board of Directors
August 19, 2011

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CSU Bakersfield E-Summit. Even as the next contract is bargained, talks on reopened provisions in the last contract reached the end of the process under labor law without a settlement. On Sept. 28, CFA held a Statewide Bargaining e-Summit on the campuses to call for action. Learn more at www.calfac.org/bargaining
pus and system-wide at www.calfac.org/faculty)

- Maintain three-year and unconditional full-time lecturer appointments.
- Fully integrate all faculty into the contract—equal rights for counselors, librarians, and coaches, including:
  - No segregation of coaches into a separate article—same appointments for coaches as for other temporary faculty
  - FERP rights for tenured counselors
  - Assigned time for tenure-track/tenured librarians with research or service responsibilities
  - Fee waiver for all faculty. Include all children up to age 26. CFA also rejects the Chancellor’s proposal to forbid fee waivers from being used for CSU doctorates
  - Prevent contracting out of CSU faculty work

Administrative support of faculty as professionals and respect for the faculty’s professional judgment

CFA strongly holds that support for the faculty as professionals and respect for the faculty’s professional judgment is central to a real university and critical to providing quality higher education.

In bargaining, therefore, CFA is proposing measures that:

- Support faculty leave programs to maintain and further develop expertise. CFA proposes to increase opportunities for sabbaticals and other leaves that benefit the university. CFA rejects the Chancellor’s proposal to expand a campus President’s ability to deny sabbaticals
- Respect shared governance and the faculty’s role in educational decisions. To counter the trend toward less faculty involvement in educational decisions, seen most recently in CSU initiatives such as the graduation initiative, the Extension Expansion Initiative, Mandatory Early Start, and CSU Online, CFA proposals would guarantee faculty control over curriculum and academic and professional standards. CFA rejected the Chancellor’s proposal to transfer power over evaluations from the faculty to the presidents and require that all classes be evaluated unless the president mandates fewer.
- Respect for due process rights of the faculty. CFA rejects the Chancellor’s proposals to:
  - Substantially weaken the authority of an arbitrator in Retention, Tenure and Promotion cases
  - Raise the burden of proof for faculty in RTP grievances
  - Deny the right of a faculty member to be “innocent until proven guilty” in cases involving suspension without pay for more than 30 days
  - Respect faculty’s time. CFA rejected the Chancellor’s proposal to increase reporting requirements for all faculty, requiring that all non-CSU employment be reported annually to management (Currently an administrator can ask for this information if they feel a faculty member is not performing his/her duties adequately).

Quality education requires investing in CSU Faculty—even in hard times.

We understand that the current economic climate is not one in which faculty can get the raises we deserve, but we believe that a modest investment in faculty is vital to attract and retain a quality faculty workforce for CSU students.

To that end, CFA’s salary proposals for our next contract include provisions that would:

- Address long-standing salary inequities for Associate and Full Professors by implementing now Year 2 of the previously negotiated equity program,
- Pay faculty a modest 1% General Salary Increase in years 2011/12, 2012/13, and 2013/14,
- Increase the GSI to 5% in the first year in which the CSU’s gross operating budget grows to what the CSU asked for in its budget request for 2008/09. Had that appropriation been made in that year, the faculty would have received a 5% GSI under the negotiated and signed contract,
- Pay eligible faculty a Service Salary Increase each year. It is important for the

“FROM THE PREZ” CONTINUED ON PAGE 22
“Cost Savings” (for the Chancellor!) Proposals

Proposals that redistribute money from the faculty to the Chancellor

- Cut pay for faculty who teach summer session—all summer teaching would be paid at a per-student (piece) rate; no more academic year-equivalent salary for summer session.
- Take back tuition and fee waiver benefits for faculty and dependents: tuition and fee waiver could no longer be used for any of the doctoral graduate programs.
- Eliminate Indirect Instruction compensation ($150 per unit) for tenure-track and tenured faculty teaching in self-support summer sessions.
- Reduce the number of WTUs faculty have traditionally received at no cost.
- Allow campus president to deny sabbaticals because of “other campus program needs” or “budget” reasons—at his or her discretion.
- Eliminate right of lecturers, librarians and counselors with temporary appointments to three-year appointments after six years of satisfactory service.

Power Grab (for the Chancellor!) Proposals

Proposals that take rights from faculty, increase the campus presidents’ power and grant new discretion to management

- Take away faculty member control (and give to president) over when and how many student evaluations are done; mandate student evaluations in all classes, every term unless president prefers otherwise.
- Increase discretionary power of campus president to deny sabbaticals.
- Deny the right of a faculty member to be “innocent until proven guilty” in cases involving suspension without pay for more than 30 days or dismissal—Reed wants to impose the discipline immediately even though there may be no effective recourse if an arbitrator ultimately finds the discipline unjust.
- Substantially weaken authority of arbitrator in RTP cases, limiting his or her ability to overturn RTP decisions and award tenure or promotion.
- Increase reporting requirements for all faculty, requiring that all faculty report all non-CSU employment annually to management.

Dismantle the Profession (a.k.a Divide & Conquer the Faculty!) Proposals

Proposals that undermine the profession, encourage education on the cheap, and attempt to weaken the union by dividing the faculty

- Take away right for faculty who develop courses taught in extension/self-support courses to have “first preference” to teach the course when it is offered.
- Limit Summer Employment article protections to state-supported summer sessions only.
- Take away ability for part-time faculty with temporary appointments to become full-time.
- Eliminate right of lecturers, librarians and counselors with temporary appointments to three-year appointments after six years of satisfactory service.
- Reduce the rights that faculty with temporary appointments have to careful consideration for work.
- Separate coaches from the rest of the bargaining unit by moving all coaching provisions into a stand-alone article.
- Take away preference for work rights for lecturers with three-year appointments when courses are moved from state support to self support.

Learn more and follow CFA Bargaining Updates at www.calfac.org/bargaining-updates-info
The CSU Under Chancellor Reed’s Administration
1998 to Present

The CSU system has experienced a decade of decline that corresponds to the tenure of Chancellor Charles Reed.

The misplaced priorities of the Chancellor and his Board of Trustees will leave a legacy of executive pay scandals, unprecedented student fee increases, and a quasi-private university in the place of what was once the country’s largest 4-year public university system.

Student Fees (State University Fee Only)
1998: $1,506
2011: $5,472
263% increase

Chancellor Reed’s Salary
1998: $254,004
2011: $421,500
+ $30,000 from CSU Foundation
66% increase

Executive Salary Increases
(Campus Presidents & Chancellor)
1998 to 2011
71% in 13 years

Faculty General Salary Increases
1998 to 2011
27% in 13 years

Consumer Price Index (CA)
1998 to 2011
43% increase

Instructional Faculty (FTE)
1998: 14,214
2010: 15,259
7% more

Tenure-Line Instructional Faculty (FTE)
1998: 9,813
2010: 9,809
0% growth

Managers & Administrators
1998: 2,694
2010: 3,298
22% more

Students Enrolled
1998: 350,253
2010: 412,372
18% more

www.calfac.org/research
Faculty from across the U.S. Launch Campaign for the Future of Higher Education

From Wisconsin to New York and Ohio to California, college and university faculty are experiencing an unprecedented attack on public higher education and the collective bargaining agreements of our unions.

At the same time, defunding of colleges and universities by our states means less support and higher costs for students. The cutbacks have lead to gimmicks and “education on the cheap,” reducing the quality educational experience our students need for the United States to be competitive in the global economy of the 21st century.

In response, faculty leaders across the nation established a new movement, the Campaign for the Future of Higher Education, to inject rationality and human values into the discussions taking place about how to “reform” higher education.

The formation of CFHE began in Los Angeles on January 21 at a meeting of faculty representatives from 21 states hosted by CFA. The participants voted to initiate a campaign to ensure affordable quality higher education is accessible to all sectors of our society in the coming decades.

This campaign, they said, should ensure that faculty, students and our communities, not just administrators, politicians, foundations and think tanks, have a strong voice in changes to curriculum, pricing, and structure, making sure the changes are good for our students and the quality of the education they receive.

What is at stake is nothing less than our democracy and our economic standing in the global economy.

Since the January meeting, the group has developed a set of principles to guide the group’s critique of higher education policy and proposals. Many of the participating campuses held actions during the week of April 11 under the theme “Take Class Action.”

CFA volunteered to organize the public launch of CFHE, which took place at a standing-room-only news conference at the National Press Club in Washington, D.C. on May 17. Faculty around the nation held gatherings and parties on their campuses and in their offices to watch this historic event that was webcast on the internet.

What are the next steps?

Now, CFHE is developing a steering committee and planning for its next meeting at the University of Massachusetts at Boston in November.

Meantime, a virtual think-tank is getting underway to be an online place where faculty research on the challenges to higher education and issues pertaining to the “Seven Principles for Quality Higher Education” can be published and shared nationally.

While college and university faculty have initiated this campaign, it will take a broad coming together of students, their families, community and civil rights organizations, unions, and supporters of higher education from all sectors of our country to make a difference.

National Press Club in Washington, D.C.

Faculty leaders from across the U.S. addressed the news media and our colleagues at the National Press Club and at webcast watching parties on campuses from New York to California.
Decreases in state funding coupled with increases in tuition and student debt are changing profoundly who can go to college and who pays for it.

Around the country attempts to “restructure” higher education in the name of the “new economic normal”—eliminating “low-producing” programs, “streamlining” the curriculum, down-sizing or eliminating remedial programs, just to mention a few examples—are affecting access and equity as well as quality.

All these changes affect faculty jobs and working conditions; in fact, faculty are under attack on many other fronts in the war on higher education.

Stagnant salaries & layoffs

Faculty salaries around the country are now stagnant, for instance, and faculty purchasing power has actually declined according to the 2010/11 AAUP faculty salary report (http://www.aaup.org/AAUP/newsroom/2011PRs/salsurvey.htm).

Layoffs of faculty—including tenured faculty—are becoming commonplace. The Chronicle of Higher Education even printed a “how-to” article providing tips for administrators planning layoff (http://chronicle.com/article/Considering-Layoffs-Tips-for/44521/).

The undermining of tenure that these layoffs bespeak is even starker in Louisiana where tenured faculty have been laid off and immediately offered their old assignments back—but as contingent faculty without tenure.

“A short-sighted national obsession with faculty ‘productivity’ has resulted in dangerously simplistic measures of faculty performance.”

The seven “solutions” in a broad plan (http://texashighered.com/7-solutions) to overhaul higher education involves the following:

1. Gather the data and measure teaching efficiency and effectiveness.
   a) Compile the following information for each teacher
      i) Salary and benefit costs
      ii) Number of students taught in the last twelve months
      iii) Average student satisfaction rating
      iv) Average percentage of A’s and B’s awarded.
   b) Divide the total employment cost for each teacher by the number of students taught, and force rank from highest cost per student taught to lowest cost per student taught.
   c) Compare student satisfaction ratings and grade distributions.
   d) For high-cost faculty, collect and read all research articles published in the last twelve months.

2. Publicly post the student satisfaction ratings and number of students taught for each teacher in several prominent locations at their respective colleges (www.texashighered.com/files/Breakthrough_Solution_1.pdf).
It appears Florida is poised to move in the same direction.

**TREND TO UP TEACHING LOADS**

Making faculty “cheaper” is also part of the trend. Two recent polls of higher education leaders indicate significant administrative support for increases in teaching loads to cut costs. In a recent survey of college and university Chief Financial Officers (http://chronicle.com/article/Economic-Conditions-in-Higher/128132/), 38% supported changes in this area (it was, in fact, rated #1 of all choices); in a recent survey of college and university presidents (http://www.insidehighered.com/news/survey/president2011), 34% supported this approach. In the same survey, 34.5% of presidents also supported changes in tenure policies.

In commenting on the survey of presidents, Jack H. Schuster, co-author of “The American Faculty: The Restructuring of Academic Work and Careers” (Johns Hopkins University Press, 2008) made an observation that sums up the general climate today for faculty in American higher education:

“The responses appear to show a strong predilection to undertake continuing drastic alterations of the terms, conditions and circumstances of faculty members at their institutions...I think the system is at risk, insofar as faculty and academic work are being pressed very hard under these circumstances” (http://www.insidehighered.com/news/survey/president2011).

**BARGAINING: IMPORTANT TOOL**

Collective bargaining is one very important tool for faculty to fight back and protect working conditions, student learning conditions, and quality higher education. Not surprisingly, the right of faculty and other public employees to bargain collectively is increasingly under siege around the country.

While the successful (at least for now) attacks on collective bargaining rights in Wisconsin and Ohio have garnered the most news, there have been over 820 bills introduced in state legislatures, according to John McNay (See a national overview at http://chronicle.com/article/What-Good-Do-Faculty-Unions/127333/ and McNay at http://hnn.us/articles/141766.html).

Working as a faculty member in these times is, to say the least, extremely challenging. Even reading this overview is not for the faint-hearted. Our universities, a quality education for students, and the professional working conditions faculty need to provide it are gravely imperiled—around the country and in the CSU itself.

**WE MUST FIGHT BACK**

Our future is far from secure, but we can—and must—fight back. This fall, our biggest fight is at the bargaining table. As CSU faculty, we must stand together to demand a contract that protects our professional working conditions and ensures that the CSU can continue to provide quality higher education for the people of California.
Governor Signs Landmark Public Higher Education Transparency Bill into Law

By Brian Ferguson, Associate Editor

After more than three years of tireless advocacy by CFA members, State Senator Leland Yee and many others, Senate Bill (SB) 8 was signed into law on September 7 by Gov. Jerry Brown.

SB 8 will bring greater transparency and accountability to the ways in which fees, revenues from campus businesses and private donations are collected, managed and spent at the California State University, University of California and California Community Colleges.

The bill subjects the institutions’ subsidiary organizations—known as “auxiliaries”—to the provisions of the California Public Records Act (CPRA). This law is known as the Richard McKee Transparency Act of 2011. The CSU provisions are found in Education Code Sections 89913-89919. (See sidebar to learn about Richard McKee.)

“Today, we have taken a big step towards transparency,” said CFA President Lillian Taiz, a professor of history at CSU Los Angeles.

Taiz continued, “Now it is incumbent on the public and the media use this law to ensure that scarce resources are used to further the CSU’s primary mission to educate students.”

The law allows the public to make information requests and requires the university to respond; it does not compel the CSU or UC to report information without a request.

The bill was signed despite years of resistance from the CSU Chancellor’s Office which, until just a few months ago, staunchly opposed the bill. CSU management fought SB 8 at every possible turn, spending taxpayer dollars to stop a bill designed to protect taxpayer’s right to know how money in a public institution is spent.

The need for accountability and careful protection of university funds is greater than ever this year. Because of state funding cuts to public higher education, tens of thousands of eligible students are not being admitted to California’s public colleges and universities, and students who do attend find that thousands of class sections are being eliminated.

Further, as CSU management expands its non-publicly funded operation, an increasing percentage of the money students pay—students pay 100 percent of the financial burden when they take courses offered through “extension,” for example—is landing in auxiliary accounts not university accounts.

Meantime, some CSU executives are reaping added compensation via auxiliary organizations. For example, Chancellor Reed has received $30,000 a year from the CSU Founda-

Who is Richard McKee?

The late Richard P. McKee has his name on the new law, just signed by Governor Jerry Brown, bringing transparency to the foundations and other nonprofit “auxiliary organizations” allied to the state’s public colleges and universities.

McKee, co-founder and first president of Californians Aware, had an unrivaled history of activism to preserve respect for the open meeting and public records laws. For years he pushed on this issue with skillful jawboning, persistent surprise surveys, diplomatic advocacy and, when all else failed, personally financed and designed litigation, in which he usually prevailed.
tion in addition to his state salary since he was first appointed. The newly hired president at San Diego State is getting $50,000 from a campus auxiliary in addition to his state pay; his predecessor did not get that supplement. The presidents hired earlier this year at San Jose State and Cal Poly San Luis Obispo are getting $25,000 and $30,000 respectively paid by the campus auxiliaries on top of their state salaries.

Prior to SB 8, the CSU, UC and community colleges have been subject to the public records act, but almost all of their auxiliaries were not. This gap in the law allowed UC, CSU and community college leaders to keep billions of dollars in student campus fees, commercial activity income and private donations out of public view.

This protection from public scrutiny encouraged colleges and universities to create an increasing number of auxiliaries to run campus operations such as food services, parking facilities, housing and bookstores—all of which would be subject to public oversight if the functions had been administered by the university or college and not an auxiliary. As of mid-September, the 23 campuses and the Chancellor’s Office had a combined total of 93 auxiliaries listed on the CSU Chancellor’s web site.

By the CSU Chancellor’s Office’s own admission, 20% of this public university’s operating budget—$1.34 billion—has been held in the hidden accounts of its campus and system auxiliaries.

In recent years, numerous media reports have revealed how these hidden monies can be inappropriately used for personal expenses, questionable loans, the awarding of no-bid contracts, and executive perks for college administrators.

At Sonoma State, nearly a million dollars in public funds were diverted to provide financial backing for a “private” auxiliary’s failed commercial real estate investments.

The CSU Stanislaus Foundation drew national media attention in 2010 when it came under fire for refusing to disclose the fee it

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PHOTO ESSAY

SB 8 and CSU foundations catapulted into the national spotlight in Spring 2010 when the Stanislaus State Foundation announced former vice-presidential candidate Sarah Palin (pictured with Stanislaus campus President Hamid Shirvani) would speak at a private benefit marking CSU Stanislaus’ 50th anniversary.

The foundation negotiated a speaking contract with Palin but refused to disclose her compensation. Foundation leaders, which include university executives, claimed they had no documents pertaining to her June visit.

After emails written by administrators regarding the visit were uncovered, they claimed the foundation was exempt from California’s public records law despite being staffed by taxpayer-funded employees.

Students Alicia Lewis and Ashli Briggs (pictured with Sen. Yee and documents shredded by the foundation) later found pages 4 through 9 of the Palin contract in the administration’s dumpster, which revealed her visit requirements included a hotel suite, first class airfare or a private Lear jet, pre-screened questions, and “bendable straws.”

Faculty members at CSU Stanislaus picked up the slack later that year when the campus foundation, which paid $75,000 for the Palin visit, abruptly canceled a scholarship program that previously helped 28 students.

Faculty members, including leaders of the Stanislaus chapter of CFA, awarded a $5,000 check to high school senior Courtney Jespersen who—despite a 4.44 grade point average and status as class valedictorian—was not awarded a scholarship.
paid former Alaska Governor Sarah Palin for a June fundraising appearance.

When faculty members, Sen. Yee and the open
government group CalAWARE demanded to
know how much her appearance cost the CSU
system, university officials rebuffed them cit-
ing a confidentiality clause in the contract with
Palin and the fact that no “public” monies were
to be used. That spurred an investigation by
then-state Attorney General Jerry Brown.

The Sacramento Bee wrote of the Palin brou-
ghaha, “It took Sarah Palin’s celebrity status
to elevate what had been a sleepy issue about
California’s colleges and universities hiding
information behind their ‘private’ nonprofit
foundations. This case also revealed how the
college’s top administrators and foundation
boards are virtually the same.”

CFA’s past Political Action Chair John Tra-
vis, a professor of Political Science at Hum-
boldt State, summed up the years-long fight
to pass this legislation: “For years faculty
have seen the growing trend of auxiliary or-
ganizations taking a larger and larger role in
providing services and performing the mis-
tion of these higher education institutions.

“Yet, they operated in the shadows because
they did not have to comply with the trans-
parency rules.

“Today, faculty members can have a fuller
picture of how the university spends its
money than ever before. But, it is incum-
bent upon us to continue the fight to make
sure the CSU is using all of its resources to
provide quality education in the classroom.”

CFA, AFSCME, and the California News-
paper Publishers Association co-sponsored
SB 8. The bill was co-authored by a num-
ber of Republicans and Democrats, and
received overwhelming bi-partisan support
in the state’s Assembly and Senate with just
handful of “No” votes being cast—a rarity in
today’s polarized political landscape.

It was also supported by the editorial boards
of the Los Angeles Times, Riverside Press-
Enterprise, San Jose Mercury News, Sacra-
mento Bee and San Gabriel Valley Tribune,
among others.

The story of shady dealing by university foundations
was further cemented at Sonoma State where local
real estate developer Clem Carinalli resigned from the
foundation board and days later received a $1.25 million
loan from the foundation to cover what eventually
became a failed real estate deal.

Carinalli defaulted on the loan leaving the university—
and its scholarship fund—high and dry. Nevertheless,
the foundation was reluctant to disclose the numbers as
well as the details about the loans, as it was exempt from
state transparency laws.

But this was not the only story of dubious
deals. A reporter uncovered the campus
foundation at Sacramento State spent
$27,000 to remodel a home kitchen for
campus President Alexander Gonzalez
(pictured with CSU Chancellor Charles Reed).
Gonzalez also received more than $230,000
in personal loans from the foundation at a rate
of 1.7 percent.

And that wasn’t the only trouble at Sacramento.
The Sacramento Business Journal learned the
campus foundation bought the off-campus
former CalSTRS building (pictured) for $35
million in summer 2007. At the same time, the
U.S. real estate bubble popped. In the long, deep
commercial real estate downturn, the university
itself was left to foot $5.12 million to plug the gap
of lease revenue for the unoccupied building. In
other words, cash flowed away from the university
and into the auxiliary.
Unsuccessful initially, this year the Chancellor finally found a lawmaker to carry legislation on his behalf to eliminate the audit obligations that were in place since 1996.

CFA’s government relations team together with CSU Stanislaus accounting professor Dr. Steven Filling lobbied against the bill. They provided critical testimony to legislators, demonstrating why public institutions should conduct independent financial audits and how transparency and accountability can be lost when such analysis is not done.

When it looked like the CSU administration’s bill (SB 736 Cannella-R) might be unsuccessful in the legislature (it was later defeated in the Assembly Committee on Higher Education), the Chancellor took his appeal to the Governor directly. He argued that since the CSU was facing a $500 million budget cut, it could no longer afford to perform the audits.

The Governor’s “May Revise” of his state budget proposal included similar language to that in SB 736 to allow the Chancellor to stop conducting independent audits of the 23 campuses’ finances. When the 2011/12 budget deal was finally signed into law, one of the trailer bills (AB 114) included the provision to eliminate the biennial audit requirement for the CSU campuses.

Under the new law, third-party certified public accountants will be required to perform just one annual audit of the system-wide financial statements.

Professor Filling called the move “ill-advised,” saying it’s simply not true that management of money on the campuses will get the same level of scrutiny. For one, he said, the scope of the system-wide audit, even with a breakout of campus financials, will not have the same depth and scope of the previous campus-level reports.

He said, “Audits should be conducted at the level where decisions about money are made. And in the great majority of cases, those decisions are made at the campus level, not at the statewide or Chancellor’s Office level.”

Auditors use a different definition of a “material” error in financial statements depending on the organization’s size. For bigger organizations, an error would have to be bigger to be considered material. In smaller organizations, smaller errors could be considered material. A system-wide audit would have a higher threshold than a campus audit, meaning errors that would be pointed out at the campus level would fly under the radar of a system-wide audit, Filling said.

To help protect public dollars, CFA remains committed over the coming years to restoring these important audits.
Over Paid and Out of Touch
A Summer in the Lives of CSU Execs

As hundreds of thousands of CSU students and faculty returned to classrooms this fall, controversy swirled from San Diego to Humboldt about the out of touch ways of CSU executives.

Below is a sampling of some of the story lines to emerge regarding executive compensation this summer and into the fall.

Trustees Increased Student Fees Again in Same Meeting They Handed $100,000 Raise to Campus President

In July, the CSU Trustees decided to increase student fees a second time in one year at the same meeting where they handed a $100,000 raise to a campus president. This came a few months after they raised the campus president’s pay scale to pay a higher rate to the new SLO president.

Faculty members said such decisions are undermining support for our state university. Many in the public regard this kind of executive compensation as an imprudent violation of the public trust.

CFA President Lillian Taiz said, “We mustn’t put the needs of 23 well-heeled executives above those of 450,000 students in our state university.”

“The Chancellor needs to get his priorities straight. Our nation is in a time of crisis, our youth face a doubtful future. Educators, especially those at the top of our public university, need to focus on our mission to advance the people of California. It’s time for those at the top to act like educators in service to the public.”

While the Trustees established a special committee to review executive compensation and hiring practices, rank-and-file faculty members believe more needs to be done to change the flawed process.

Governor Sends Letter to Trustees urging Caution on Exec Comp

Gov. Jerry Brown sent a letter to the Trustees urging them to reconsider before acting on a $400,000 annual pay package for San Diego State’s new president Elliot Hirshman.

On top of pay, all 23 CSU campus presidents and the five top executives in the CSU Chancellor’s Office get free homes or $50,000 a year for housing plus $12,000 a year for cars. Despite Brown’s overture, the Trustees approved a $100,000 increase in Hirshman’s pay over that of his predecessor, Stephen Weber.
paid “hired guns” over qualified but potentially less costly executives from within the state university.

CFA Sends Letter to Governor on Exec Pay
Following the Trustee’s action in July, CFA sent a letter to governor Jerry Brown thanking him for opposing the pay hike and urging him to take further action to prioritize public service among university leaders.

The letter said in part:
“Your concern echoes the feelings of CSU students, faculty and staff who know all too well that the leaders of our state university are out of touch with the people they are entrusted to serve.

“To the many faculty, staff and students who have made painful economic sacrifices, this (San Diego State president pay) increase is appalling. What’s worse, this is but another example of how the CSU Chancellor and Trustees are out-of-touch with appropriate public policy in governing our universities, particularly in these austere times in our state.”

Lawmakers Introduce Legislation to Curb Executive Pay
Outraged by the top management pay raises, several state lawmakers initiated laws to curb the practice. In August, Sen. Leland Yee (D-San Francisco) reintroduced legislation to prohibit executive pay increases during bad state budget years.

Sen. Ted Lieu (D-Torrance), who wrote a letter to CSU Trustees in July asking them to rescind the $100,000 increase, said he plans to introduce several bills. One would prohibit CSU administrator pay hikes for two years after a tuition increase. Another would cap how much the CSU can pay its executives, tying it to “some rational compensation level,” Lieu said.

Elsewhere, State Sens. Alan Lowenthal (D-Long Beach) and Elaine Alquist (D-Santa Clara) introduced SBX125 to prohibit the Trustees from approving executive raises of more than 10% in the same year there is a tuition increase.

CFA Launches Online Ads in Support of Petition to Fight Excessive Exec Pay
In early September, CFA launched an online ad campaign targeting the CSU management’s priority on executive salaries over students and the classrooms.

The ads featured dollars raining down on the Monopoly Man and ran for a month on the political news websites Capitol Basement, Capitol Weekly and Rough and Tumble.

When users clicked on the ads, they went to an online petition protesting executive pay for CSU executives and asking Gov. Brown to keep up pressure for “a new pattern of public service that is appropriate for leaders of a public institution.”

CFA President Taiz said, “Working for the university is about performing public service, which Chancellor Reed obviously doesn’t get. He is completely out of touch with what is happening on CSU campuses throughout the state and faculty and students are fed up.

“The CSU is not a place for executives to get rich—it is a place to advance the people of California. It is time for the leaders of the California State University to serve the public, not themselves,” she said.

Gap Between Executive and Faculty Pay Widens Under Chancellor Reed
When Chancellor Reed arrived at the California State University, campus presidents were paid, on average, less than three times the average pay for a full-time faculty member. A decade later, he pays top executives almost four times as much.

Today, Chancellor Reed continues to pay consultants and seek out old friends to persuade the Board of Trustees to justify and find ways to increase executive pay. At the same time, his salary offer to faculty amounts to “Nothing Now & Less Later.”

With nothing but take-backs on the table, the Chancellor continues to push his “vision” for a different kind of university.

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**Average Salary for CSU Presidents**

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**Average Salary for Full-Time Faculty**

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sources: CSU Presidents average calculated from data reported in CSU Board of Trustees Agendas, multiple years. CSU Faculty average published in CSU Statistical Abstract 009-09, Table 168.
UCLA Civil Rights Project Studies Show the CSU is “Squeezed from All Sides”

As California staggers from the impact of state budget deficits and political gridlock, the UCLA Civil Rights Project released reports this summer that look into how funding cuts to the California State University are affecting students, faculty, families and civil rights.

The reports, which were released as a book following a hearing for lawmakers and members of the media in Sacramento, clearly show the dramatic impact of cuts implemented prior to this year. The studies were released just as another round of deep cuts were being imposed.

Project co-director Patricia Gándara said, “These short-sighted policies mean California is eating its seed corn, cutting off access to college, in a state already projected to be short a million college graduates needed for its future labor market.”

The findings are stark and in many cases painful both for the students involved and California’s prospects as the state falls further behind.

Project co-director Patricia Gándara said, “These short-sighted policies mean California is eating its seed corn, cutting off access to college, in a state already projected to be short a million college graduates needed for its future labor market.”

The studies continued on the next page...

What the Studies Address

The CSU Crisis and California’s Future consists of eight studies selected by a panel of experts from among submitted research proposals.

Squeezed From All Sides: A Survey Of Students At CSUN by Patricia Gándara and Gary Orfield examines the devastating impact state cuts and the faltering economy are having on students at one of the California State University system’s largest campuses with a student body that mirrors the statewide enrollment composition of the nation’s largest system of public universities. The report surveys students at CSU Northridge and shows they are struggling to finish college as tuition soars, class offerings shrink, and their families are devastated by the economic downturn, the housing crisis, and very high levels of joblessness and underemployment.

Faculty Under Siege: Demoralization And Educational Decline In The CSU by Gary Orfield gathers data from an electronic survey of over 400 faculty members at various CSU campuses. The data shows that CSU faculty are severely impacted by budget cuts as the sizes of their classrooms increase and resources and support are cut. The report finds many professors in the CSU system feel the cutbacks already implemented, coupled with the substantial cuts projected, put the quality of a CSU education in a rapid downward spiral. Not only is access restricted but quality of instruction is also being eroded.

The Worst Of Times: Faculty Productivity And Job Satisfaction During The CSU Crisis by Helen H. Hyun, Rafael M. Diaz and Sahar Khoury provides qualitative data on a small sample of faculty on one CSU campus. The authors conclude from in-depth interviews that faculty are experiencing increased workloads, larger class sizes, reductions in salary and resources, and a lack of time for...

“SQUEEZED” CONTINUED ON NEXT PAGE

Kimberly King, a professor of psychology at Cal State Los Angeles, was among the authors of papers for the Civil Rights Project about the impact of slashed funding for the California State University.

Gary Orfield and Patricia Gándara are co-directors of the UCLA Civil Rights Project. They write, “We believe it is very important that people across California, most especially students and families, understand the consequences of this ongoing crisis to the future of our state and to educational equity for students from all sectors of our society.”

“STUDIES” CONTINUED ON NEXT PAGE
“SQUEEZED’ CONTINUED FROM PAGE 17

ther behind in maintaining its college-educated workforce and society. They include these:

- A survey of students at the CSU Northridge campus shows widespread family distress, tremendous pressure on students struggling to meet rising costs, and the loss of a year or more in completing their studies because of the lack of key classes.

- Surveying faculty across the system, coupled with in-depth interviews on one campus, shows that faculty feel intense pressure from larger classes, do more with less support, worry about students desperate for classes, are unable to carry out research, limit their professional activities and have widespread pessimism about the future of their university.

- Most of California’s Latino and African American students attend weak State University Grant Program (SUG), a form of financial aid, and its effects on under-represented students over a 20-year period. The study asserts that SUG should become a more targeted, need-based aid program to assist the most underrepresented and neediest students. The report urges policymakers to increase state funding for remediation regardless of their abilities.

- Disenrollment rates in the CSU between 2004 and 2009, comparing high remediation campuses with those with lower rates of remediation need.

Economic Crisis And The California State Public University: The Institutional, Professional And Personal Effects On Faculty And Students by David Boyns, Amy Denissen and Alexandra Gerbasi focuses on the ways that faculty and students have been differentially affected by the economic crisis at the CSU and how budget cuts have changed the ways that members of the CSU community perceive the university and its future.

You Will Have To Work Ten Times As Hard At The CSU: Reducing Outreach And Recruitment In Times Of Economic Crisis by Rebecca Joseph with the assistance of Mario Castaneda investigates the effects of funding cuts on the ability of five CSU campuses to provide outreach and recruitment to low-income high school and transfer students. This paper highlights the ways in which CSU campuses are trying to continue their work using creative, collaborative, and resilient methods with declining resources. It also examines how the reduction of early outreach services will be felt most acutely by the state’s Latino and African-American communities, and how the cuts will drastically impede their educational progress.

“STUDIES’ CONTINUED FROM PAGE 17

scholarship due to significant budget cuts. These sources of stress, along with declining campus morale and uncertainty about their futures in the profession, led to reports of diminished career satisfaction and negative impacts on the personal lives of the faculty participants.

Eight studies of the impacts of the drastic budget cuts on CSU students, faculty, educational opportunities, and consequences for the state mostly authored by CSU faculty at various campuses. Available online and may be reproduced for classroom or research use without seeking permission or paying royalties.

Higher Tuition, More Work, And Academic Harm: An Examination Of The Impact Of Tuition Hikes On The Employment Experiences Of Under-Represented Minority Students by Amy Leisenring explores the impact of recent budget cuts on Latino, African-American and American-Indian students, their views on tuition/fee increases and the effects of working in paid employment on their academic success. Leisenring’s analysis is based on survey data of 163 under-represented minority students, as well as in-depth interviews with 16 of the students.

The State University Grant Program And Its Effects On Underrepresented Students at The CSU by José L. Santos explores the SUG pro-

gram so that it can help those students with the greatest financial needs.

Remediation As A Civil Rights Issue In The California State University System by Kimberly R. King, Suzanne Mcevoy and Steve Teixeira finds significant differences in whom the various CSU campuses serve and these differences are exacerbated by remedial education policies spurred by current budget cuts. The study analyzed remediation and
The Year in Review: Notable Arbitration Awards in 2010/11

By Bernhard Rohrbacher
CFA Representation Director & General Counsel

Wins and Losses. As usual, the year has given us our share of arbitration wins and losses. This article reviews the most notable and the lessons to be drawn.

- Arbitrators have signaled to administrators they must follow policy both when awarding tenure to one of their administrators and when they deny promotion to faculty.

- While one arbitrator gave us a far-reaching remedy for procedural violations when the underlying facts showed actual mistreatment of the grievant, another arbitrator denied us any remedy for similar violations when the underlying facts did not show such mistreatment.

- Some grievants rejected settlement and ultimately lost in arbitration while many more accepted settlements who may have lost.

- One arbitrator held temporary faculty are not entitled to careful consideration unless they apply for a position, even if to do so might be futile. But another arbitrator held that temporary faculty cannot be denied range elevations because they do not hold a terminal degree or engage in research unless their assignments require them to do so.

- And last but not least, the administration finally implemented the FERP award and paid a total of $1,197,312.45 to participants in the Faculty Early Retirement Program who had been assigned all-teaching or disproportionate teaching loads.

Was it a good year for faculty rights? We think so.

Administrators Must Follow Policy When Awarding Tenure to One of Their Own. Readers of this magazine know the tenure and promotion process can be a torturous ordeal for faculty. Administrators, by contrast, have an easier life.

Under the Collective Bargaining Agreement (contract), “[t]he President may award tenure to any individual, including one whose appointment and assignment is in an administrative position, at the time of appointment.” However, “[a]ppointments with tenure shall be made only after an evaluation and recommendation by the appropriate department.”

In a systemwide grievance, Arbitrator Matthew Goldberg ruled “[t]he University violated [the contract] when it granted tenure and retreat rights” to 10 named administrators—seven deans, one vice provost, one provost, and one associate vice president—at the time of their appointments before ostensibly obtaining an evaluation by the faculty in the appropriate department and a recommendation from that faculty.”

Goldberg remanded the case to the parties to determine “whether the appropriate faculty evaluation and recommendation procedures...were in fact followed” and clarified that such procedures must include, but are not limited to, a consideration by the faculty in the appropriate department of that individual’s experience and achievement, and a determination that such experience and achievement compares favorably with that of others in the department who have been granted tenure.”

He concluded: “Should it be determined that the evaluation and recommendation as outlined did not take place, the offer of tenure to the particular individual shall be rescinded and held in abeyance, pending the successful completion of the evaluation and recommendation process.” We await the outcome of the remand. (Representation Specialist Elizabeth Barba Pinkava litigated the case.)

Administrators Must Follow Policy When Denying Promotion to Faculty. In a Sacramento case, the grievant was granted tenure but denied promotion to associate professor. The department’s retention, tenure, and promotion (RTP) criteria gave “scholarly and creative achievements” a weight of only 5%. The Provost “ignored” that weight as too light and “paid no attention to departmental criteria in the area of scholarly or creative achievements” when he deemed the grievant’s scholarship unworthy of tenure.

Arbitrator Alexander Cohn found “[t]his was [a] harmful error.” He noted “the decision may well have been different if the Provost accepted the criteria, but disagreed with the Department’s findings based on reasoned judgment,” yet found this to be “a distinction without a difference.”

Cohn ordered the administration retroactively to promote the grievant to Associate Professor, making this the only case to date decided under the 2007-2010 contract in which an arbitrator awarded tenure or promotion instead of merely a remand for re-evaluation. (Representation Specialist Omar Joseph litigated the grievance.)

Good Facts Will Get You a Good Remedy. There is a saying that “bad facts make bad law,” but the opposite also holds true: Good facts make good law. This year was no exception.

In a coach non-reappointment grievance at East Bay, Arbitrator Sylvia Skratek awarded perhaps the most sweeping remedy ever awarded in such a case. She found that “[one] of the most troubling aspects of [the Athletic Director’s] evaluation of the Grievant is the complete devaluation of the Peer Review Process that had accompanied the evaluation process for well over a decade and that was still contained within the Coach
Tracking Policy that was in effect for the 2008/09 Academic Year.”

The Athletic Director unilaterally turned that peer review process into a mere peer input process. Moreover, she evaluated only this coach that year, and only this coach was not reappointed that year.

In her evaluation, the athletic director relied on a “verbal performance counseling,” “personal visits from five members of his team,” and the fact that “one of the students missed the bus in what turned out to be a disciplinary issue in housing that was referred to judicial affairs,” none of which was documented in the grievant’s Personnel Action File (PAF), in violation of the contract.

Skratek noted: “An additional indicator that leads to the perception that [the Athletic Director] was biased against the Grievant is her failure to publicly acknowledge the accomplishments of the 2007…Men’s…Team [coached by the Grievant] while doing so for the Women’s…Team [coached by another Coach].” She concluded the grievant was denied careful consideration.

Skratek further could find “no evidence” that the grievant, a 16-year veteran in his position, “would not have been offered an additional appointment but for the prejudicial procedural errors.”

She ordered the administration to reinstate the grievant to his prior position and to make him whole for any and all lost wages and benefits that would have been afforded to him. In a none-too-subtle allusion to “the perception that [the Athletic Director] was biased against the Grievant,” Skratek wrote: “In the alternative [the grievant] may choose to decline reinstatement to the position given the reality that his likelihood of success in the position may be limited by circumstances that are beyond his control.”

If he chose the latter option, “then he shall be made whole for any and all lost wages and benefits that would have been afforded to him and shall be provided an additional one month of wages and benefits for each of his years of service to the University, including academic years 2009/10 and 2010/11 as compensation for lost future earnings.”

Given his 16 years of service, Skratek thus awarded the grievant one-and-a-half years of back pay and another one-and-a-half years in lost future earnings if he chose the second option. CFA subsequently negotiated an even more favorable settlement for him. (Director of Representation Bernhard Rohrbacher handled the case.)

**Bad Facts Will Get You No Remedy at All.** In a three-year lecturer non-reappointment case from Long Beach, Umpire Fred D’Orazio ruled that a host of procedural violations were non-prejudicial in light of the grievant’s “very weak” student evaluations and an “overall rating of teaching” of “unsatisfactory.”

D’Orazio found the grievant was denied the contractually required notice and consultation before classroom visits, the department chair improperly informed the Department Peer Review Committee that he did not want to reappoint the grievant before that committee had completed its evaluation, and the committee itself violated the contract when it did not review the grievant’s PAF before it reached its recommendation.

Nevertheless, “[c]onsidering the totality of the circumstances presented here,” D’Orazio “decline[d] to overturn the decision not to reappoint [the grievant].” Despite the violations, he concluded, “[t]he Department documented unsatisfactory performance by substantial evidence and thus the actual decision not to reappoint satisfied the standard under [the contract].”

He concluded, “To the extent that the Department denied certain procedural safeguards in violation of the CBA (contract) as set forth above, CSU is hereby directed to cease and desist from such conduct.” (Representation Specialist Elizabeth Barba Pinkava represented the grievant.)

What led to the very different outcomes in these two cases? In both, there were procedural violations. But whereas in the first case there were no serious performance problems, there were “very weak” student evaluations and an unsatisfactory teaching rating in the second. Moreover, in the first case there was substantial evidence of bias against the grievant by the Athletic Director, and there was no real evidence of bias in the second.

The point is that procedural violations will not win the day for you if there are serious performance problems, especially in the absence of evidence of bias.

**A Bird in the Hand: When It Is Better to Settle for Less.** At Sacramento, an assistant professor was denied tenure and promotion to associate professor because an internal investigation concluded he altered the terms of a grant and, in reporting the outcome of the grant, failed to mention the changes that had occurred.

At the hearing, it emerged that this conclusion was based in part on input from two individuals who should have been excluded from the investigation. Given this violation and the fact that the provost had “particular confidence” in a faculty member from another CSU campus who found that the “Grievant had an impressive scholarship record and satisfied the applicable RTP criterion as to scholarly activities,” Arbitrator Alexander Cohn “acknowledged[d] he considered granting tenure and promotion at this point.”

But because “the decision to grant tenure has particular significance to all concerned,” he concluded “the tenure and promotion decision must be remanded to the Provost for his good faith reconsideration” that was to ignore the tainted investigation.

A year and a half later, the grievant was denied tenure and promotion again on similar grounds and the parties again were before the same arbitrator. This time, Arbitrator Cohn denied the grievance. He admitted “[t]he Arbitrator cannot deny the inference that the issues surrounding the…grant proposal seem less than critical. However,” he continued, “this is not a ‘just cause issue’ as in a discipline case” but one that involved “academic discretion; i.e., reasoned judgment.”

He concluded that “all Association defenses…have degrees of ‘process’ merit but do not sufficiently impact the Provost’s application of ‘reasoned judgment.’” In other words—close, but no cigar. (Representation Specialist Kathy Sheffield handled the case.)

The grievant in this case rejected settling for anything less than tenure and promotion. Another grievant at San Marcos, who also was denied tenure and promotion, narrowly avoided the same mistake. Under a first settlement agreement, she was given a choice
between re-review or resignation with two years of salary. She chose re-review. Upon re-review, she was denied tenure and promotion again. She accepted a second settlement that lead to her resignation with one year of salary. (Representation Specialist Omar Joseph negotiated the settlement.)

These cases illustrate that it is sometimes better to settle for less than to throw the dice and try to win it all.

Over the year, CFA negotiated many settlements we believe better for the grievant than duiking it out in arbitration. In part because of these settlements, we reduced the number of open grievances from 302 on April 30, 2010 to 196 on May 6, 2011, a 35% reduction. This reduction shortens the delay in bringing the remaining open grievances to arbitration. This is important because “justice delayed is justice denied.”

FERP Award Finally Implemented!

In 2004 and 2005, CFA filed several system-wide grievances challenging all teaching loads and disproportionate teaching loads that the administration had assigned to participants in the Faculty Early Retirement Program.

In April 2007, Arbitrator Bogue issued an award in which she held that such teaching loads violated the contract. In October that year, she issued a supplemental award ordering the administration to pay a monetary “make-whole” remedy to FERP participants who had been assigned a disproportionate teaching award.

Instead of complying with that award, the administration spent the next two years trying to find a court—first the Los Angeles County Superior Court, then the California Court of Appeal, and finally the California Supreme Court—that would vacate it. CFA won every time.

This year, having exhausted all appeals, the administration finally paid 69 FERP participants on 15 campuses a total of $1,197,312.45. (Representation Specialist Kathy Sheffield handled the case in arbitration and Representation Director Bernhard Rohrbacher litigated it in court.)

Outlook. As we enter another year of bargaining for a new contract, the awards discussed above remind us that faculty have no rights unless they fight for them. Only if we fight for an even better contract can next year’s report reflect an even better win/loss record.

In addition to the representation specialists mentioned above, I would like to thank chapter activists and field staff for working on these and countless other grievances. We would not have a faculty rights program without them. Danke schön.

“AUDITS MATTER” CONTINUED FROM PAGE 14

Likewise, over the years, CFA has worked with accounting and finance experts to analyze the financial statements of the CSU system and CSU campuses. In each case, CFA has questioned university arguments of poverty based on budget documents that tell an incomplete picture of an organization’s finances.

After all, a budget is a plan for how the administration intends to spend its resources; the financial statements are records showing how the administration actually spent its money.

In addition to providing data about the amounts of funds an institution receives and spends, the audited financial statements also reveal the size of reserves an institution holds. Specifically, the statements report the amount of restricted and unrestricted net assets accumulated each year. Importantly, there are strict definitions regarding how to classify funds into these categories, and the audit by an independent third-party accountant informs interested parties that the funds are properly classified.

These data and the implications of the story they tell, we believe, are among the reasons the CSU administration wishes to keep this information private.

Saving Quality Education is an important reason For you to become an Active CFA Member

Why become an active CFA member now? Because 2011/12 may well be a dramatic turning point in the history of the CSU.

We are at a crossroads after a decade of funding cuts, the most severe this year at $750 million. And, the changes are coming in various ways—including the attempt to dismantle our Collective Bargaining Agreement.

Our administration aims to deliver education to mass numbers in the most profitable way by charging students more for less—raising tuition and class sizes while downsizing instructors and paying us less.

It is a business model for public higher education that turns students into consumers and instructors into just-in-time workers. Some call this short-sighted policy “cost-effective education.” It really means “education on the cheap.”

The missing piece in the rush to change is a genuine faculty voice that keeps change on track and moderates management’s desire to restructure the CSU in its own interests.

As Unit 3 members— instructional faculty, librarians, counselors, and coaches—our own future and the future of higher education for our students at the CSU will be on the line this year.

Get Into Action

- Your action makes a difference.
  - Pitch in by volunteering with your campus CFA chapter
  - Write an op-ed for your local newspaper
  - Write comments on newspaper articles about higher education
  - Show up at CFA events and bring a colleague
  - If the event includes students tell your classes about it

- Talk to your students in every class about how the CSU and their future are affected. Are they registered to vote? Do they understand the issues?

This is the year of ACTION.

What you can do?

Help Remind Other Faculty to Join CFA

- Check with your academic neighbors near your campus office. Are they CFA members? They may be “fee payers” who think they are CFA members. Fee payers cannot vote on a contract nor can they receive the many benefits of CFA membership.

- Go “hall walking” with a CFA colleague to talk with your academic friends about how serious academic changes will be this year and next.

- No salary increases whatsoever in 2011/12
- Reopeners that would allow the Chancellor to demand reductions to faculty salaries and benefits in 2012/13 and 2013/14

Where Do We Go Now?

Every day the CSU faculty struggle with the crushing burden of trying to provide a quality education for our students while conditions around us deteriorate rapidly. The problem has grown well beyond the ability of individual faculty members to solve in their classrooms; this is a problem of system-wide proportions and needs collective action to achieve a resolution.

Even in less pressing times, our faculty contract has been an important protection not only for the faculty and the work we do, but for quality education. Now more than ever, we must stand firm in rejecting the Chancellor’s vision of a faculty contract that would help to usher in a lower-quality CSU, a diminished role for faculty in it, and a degraded profession for us all.

In this round of bargaining, we simply must chart a different path for our colleagues, our students, and the CSU.
CFA-Endorsed Candidate Bilbrey Wins CalPERS Runoff

Michael Bilbrey—the CFA-endorsed candidate for a vacancy on the 13-member CalPERS Board of Administration—won a runoff election defeating Richard Ross by almost 40,000 votes.

Both men got to the runoff by taking the top spots in an eight-candidate field vying for the at-large seat vacated August 2010 by Kurato Shimada. Bilbrey will serve the remainder of Shimada’s term that ends in January 2014.

With more than $233 billion in assets, CalPERS is the nation’s largest public pension fund.

Web Campaign Launched to Take On Attacks Against Public Worker Pensions


Dave Low, chair of the coalition group, said these attacks are really about collective bargaining, workers’ rights and the middle class.

“Teachers, firefighters, school employees, and peace officers are being blamed for the budget deficit when we are doing more than our fair share to help the state and our communities. Retirement benefits for public employees represent less than three percent of the state budget—a lower percentage than 30 years ago,” he said.

CFA is part of the coalition of some 1.5 million public workers and retirees, along with California Teachers Association, California Federation of Teachers, California School Employees Association and many other organizations.

Governor Signs First Portion of California Dream Act

In late July, Gov. Jerry Brown signed a law easing access to privately funded financial aid for undocumented college students.

The bill—which CFA supported—would move undocumented college students a step closer to being eligible for state-funded scholarships and financial aid.

It’s called the Dream Act but differs from a federal plan by the same name, which would create a path to citizenship for those who are brought to the country as children.

The first half of California’s Dream Act, which became law, allows undocumented students to qualify for private financial aid.

The second half would qualify non-citizen students for State University Grants, UC grants, Board of Governors Fee Waivers, and institutional student aid.

At press time, the second half of the Dream Act awaited action by the Governor.

Allen Martin Remembered

CFA is sad to announce the passing of Northridge faculty member and union activist Allen Martin.

Martin—who was Chair of the Department of Family and Consumer Sciences at Northridge and also served as Faculty Rights Chair for his campus CFA chapter—passed away Friday, May 27.

“Allen was a beloved faculty member who mentored hundreds of students through his teaching and many professional contacts,” said retired Northridge professor Alyce Akers, who preceded Martin as department chair. “Allen led a life of service to others fueled by his tenacious optimism, affability and tremendous energy. He will be terribly missed.”

In lieu of flowers the family suggests memorial contributions to The Consumer Resource Center, Department of Family and Consumer Sciences, CSU Northridge. Make checks payable to: CSUN Foundation. Write in the memo line: Consumer Resource Center/Allen Martin.
1. TAKE BACKS.

The Chancellor has brought nothing to the bargaining table but “take-backs.” His proposals attack faculty working conditions and undermine our efforts to provide quality education for CSU students. The take backs are technical; a CFA bargaining team member calls them “surgical” because they would make many small contract changes with far-reaching effects.

2. “NOTHING NOW & LESS LATER.”

Chancellor Reed’s economic proposal for the faculty is best described as “nothing now and less later.” He wants the ability to demand pay and benefits cuts in 2012/13 and 2013/14.

3. FACULTY TEACHING MORE.

Despite an 18% increase in students FTES since 1998, the number of tenure-line instructional faculty positions stagnated over the same time period—0% growth.

4. SKYROCKETING STUDENT FEES.

Students will pay 29% more this Fall than in Fall 2010. Altogether, the Trustees have raised undergrad student fees 263% since Chancellor Reed arrived at the CSU in 1998.

5. EXECUTIVE PAY HIKES.

In July, the CSU Trustees approved a pay package for the new San Diego State president, which includes a $400,000 salary—$100,000 more than his predecessor who served for nearly 20 years.