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FOR IMMEDIATE RELEASE

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UNI's Audited Financial Report: <http://access.uni.edu/reports/cafr/index.shtml>

**UNI Collective Bargaining Unit States:
"There is a Priority Crisis at UNI
More Than a Financial Crisis"**

There is nothing in the Financial Reports to justify disrupting the education of our students, the firing of faculty, the closing of university programs central to the core mission of UNI, or launching an assault upon the tenure process. The CAFR is audited by an independent third party.

(CEDAR FALLS, Iowa) There is no financial crisis at the University of Northern Iowa. A budget shortfall is not a financial crisis. A budget is a projection made by the administration.

All public colleges and universities are required to have their finances externally audited every year and they are required to publish the results. This document is called the Comprehensive Annual Financial Report (CAFR). It is not a projection; it is a standardized, audited accounting of the financial health of the institution.

As documented in UNI's CAFRs:

1. Moody's Investor Service and Standard and Poor are businesses that independently judge financial health and report standard data to investors. They take into account all data, including declining state support. Nonetheless, the current ratings that Moody's and Standard and Poor assign to UNI reflect strength: the ability to meet all financial obligations.
2. University of Northern Iowa's Management's Discussion of its own finances: "The University's capacity to meet its financial obligations is considered strong based upon these ratings," (see CAFR 2011, p. 23).
3. Many will recall that every year UNI starts with a budget shortfall/budget crises. Yet, here is the quote from CAFR 2010: "The Statement of Revenues, Expenses, and Changes in Net Assets reflect three positive years. Net assets increased \$11.4 million from 2008 to 2009 and \$25.9 million from 2009 to 2010," and 7 million from 2010 to 2011 (CAFR 2010, p. 17).
4. In 2011, total net assets went up again, and unrestricted net assets stood at just over \$70 million dollars.
5. Over the last five years, we have been fortunate to have a significant increase in enrollment; the administration has responded to this increase by decreasing the number of faculty, and increasing the number of administrators. Now they propose to decrease the number of faculty even further. This does not make educational or economic sense.
6. Auxiliary expenses as percent of total expenses have been increasing (16% in 2002, 19% in 2011).

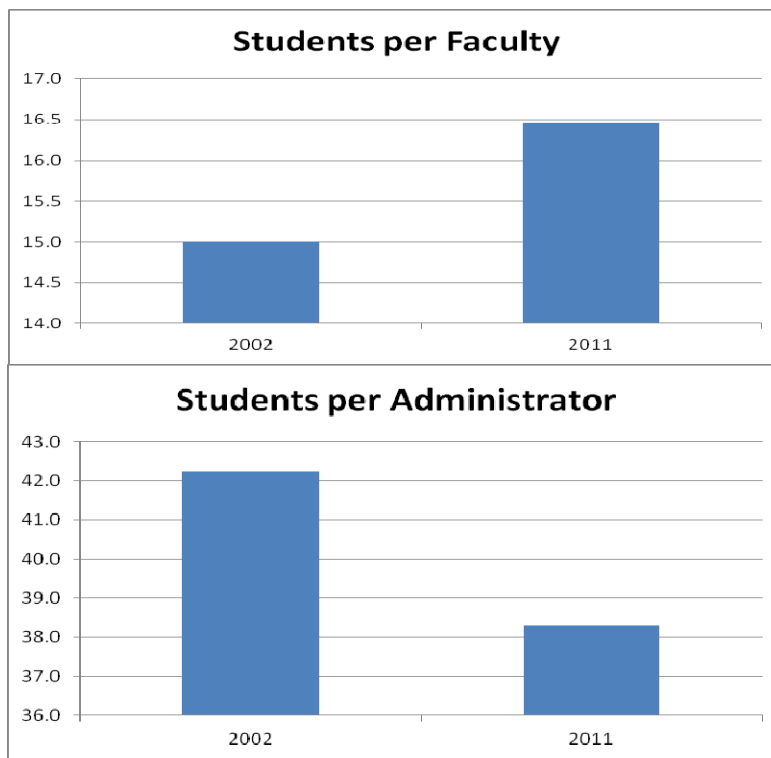
UNI must find a way to stop increasing tuition, and UNI needs the support of the Iowa legislature to provide an affordable education to Iowa's students. But it is also true that UNI needs to focus its funding on what UNI is known for: affordable world class education, low student to teacher ratios, and commitment to the academic needs of Iowa's students. UNI needs to deemphasize spending not central to the core mission.

Administrations come and go, but the magnitude of the number of programs being proposed for closure will permanently change UNI. The cuts proposed undermine the educational mission of the University and put UNI out of step with its peer institutions. Eliminating programs students are enrolled in will make it difficult for them to finish their degrees and layoffs of expert instructors will deprive them of the education they came here for.

“Long term trends to increase numbers of administrators and to invest in certain auxiliary enterprises over classroom instruction needs to be reversed before faculty are laid off and before students’ education is disrupted,” states Cathy DeSoto, President of United Faculty, referring to page 92 of the CAFR. “Faculty who have taught in programs that have been eliminated will tell you that students have a hard time finding the classes they need to graduate and suffer due to the lack of course offerings and faculty. It doesn’t work well.”

There are more students per faculty member. The number of faculty has declined compared to enrollment. The increasing number of administrators has outpaced the increasing number of students, so there are fewer students compared to the number of administrators.

See 2011 CAFR page 92



United Faculty, established in 1976, is the sole negotiating agent for the University of Northern Iowa’s approximately 550 faculty members, and is affiliated with the American Association of University Professors (AAUP).

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