Decision Shows Why Arbitration is Important

Arbitrator sides with United Faculty on wages. Decision has implications for the broader question of collective bargaining.

Cedar Rapids, Iowa – Following collective bargaining negotiations between the University of Northern Iowa and its faculty union, UNI United Faculty-American Association of University Professors, four issues went to arbitration as impasse items: Wages, Insurance, Leave Time for union officers, and Right to Grieve.

The Board of Regents and administration argued that a raise of 1% next year for faculty was in the best interest of the university. The regents’ proposal on wages was unacceptable to the faculty, which necessitated arbitration by a neutral third party. Had the regents won on yet another year of low or no salary increase, United Faculty (UF-AAUP) believes this would have been devastating to faculty morale. It would have made retention and recruitment difficult, as noted by the arbitrator in his decision. UF-AAUP believes that continually underpaying faculty while increasing administrative lines and auxiliary spending undermines the core mission of a university. The United Faculty-AAUP team won with cold hard facts, and the faculty raise next year will be 3.5% with an identical raise in year two of the contract.

“The cost of living in Iowa is going up by more than 3% next year, so a 1% raise would be yet another decline in real wages,” says Cathy DeSoto, President of UF-AAUP. DeSoto worries about faculty who truly struggle financially: “Assistant professors often make less than $50,000 a year and usually have student loan payments of several hundred dollars a month, and families to support. This group must do significant research to avoid being fired, and committee work and service take up large amounts of time as well. UNI professors have fallen behind on wages. Assistant professors, who are the newly hired and lower paid group of professors are last among designated peer groups in salary, according to the most recent data from U.S. Department’s National Center for Education Statistics.”

Howard Bunsis testified via Skype for the faculty during arbitration regarding UNI finances. Bunsis holds a law degree from New York's Fordham Law School, an MBA from University of Chicago, and a PhD in accounting from the University of Chicago. He specializes in analyzing university finances. Using publicly available reports issued by UNI, he documented that the university’s ASSETS have been increasing, no matter how they are defined. Fully independent raters of financial health of universities (e.g., Moody’s) acknowledge the reality of state budget cuts—but still say UNI is doing well given the totality of its reserves, assets and debts. The
The regents’ assertion that Iowa is going into recession was defeated by the Bureau of Labor statistics, Creighton Forecasting Group reports, and the State of Iowa Budget Estimating Conference reports. UF-AAUP showed that over the past few years, the number of faculty has been declining while administrative positions have been increasing. It was documented that the spending categories and definitions we brought to the table were not selected by us, but are the standard categories that the department of education uses; administrative hires went up 13% while faculty went down 4 percent across the previous five year time period. Coaching salaries and upper administrative salaries have tended to increase much faster than faculty salaries.

United Faculty would not agree to having all faculty forced into a change in health insurance along with elimination of disability and several fold increase in out of pocket costs to faculty. On the eve of arbitration, the Board of Regents softened its position and took a compromise to the arbitrator. The arbitrator selected their compromise position, which allows current faculty to keep the plan they are used to and allows all faculty to maintain choice in physician. United Faculty believes this decision is acceptable, but that had the regents been willing to discuss health care, a better compromise (for all parties) would have been possible at the table.

Two other items also were taken to Impasse Arbitration. UF-AAUP asked the arbitrator to allow leave time for the work of the union, which was denied. UF-AAUP asked the arbitrator to sanction the its right to formally file grievances as an organizational right regarding recent contract violations, which was given by the arbitrator.

“Thank goodness we still have a chance to force a situation where published reports and financial statements still carry weight with an independent arbitrator,” DeSoto says about the outcome. “Collective bargaining allows comparative data and objective facts to win the day. And they have.”

*United Faculty, established in 1976, is the sole negotiating agent for the University of Northern Iowa’s approximately 600 faculty members, and is affiliated with the American Association of University Professors (AAUP).*