# **APA September/October 2013 Newsletter**

# One Step Closer in Regulating Student Outcomes at For-Profit Colleges

New regulations for for-profit colleges and new protections for their students might be moving closer to reality this week, after a <u>federally appointed panel spent several days</u> in Washington, D.C., considering the U.S. Department of Education's proposed rules.

The rule, which is strongly supported by the APA's national affiliate, the National Education Association ("NEA"), would require for-profit colleges to <u>demonstrate that their vocational students are learning what they need to get jobs</u> (or "gainful employment.") These schools commonly rely on millions of dollars in taxpayer money to operate, and federal officials have said that they want to make sure that the public investment pays off for students.

President Obama addressed the issue this summer, saying, "There have been some schools that are notorious. Students aren't getting what they need to be prepared for a particular field. They get out of these for-profit schools loaded down with enormous debt. They can't find a job. They default. The taxpayer ends up holding the bag...and the for-profit institution is making out like a bandit."

Ninety-six percent of students at for-profit colleges borrow money from the federal government to attend, compared to 13 percent of public community college students, according to government reports. Those students, on average, also pay four times as much in tuition as community college students, but they're also much less likely to graduate and get a job.

Students attending for-profit colleges accounted for 47 percent of all federal loan defaults in 2008 and 2009. Even worse, according to government investigators, some schools have purposefully deceived students and federal authorities about the value of their academic programs and the true costs of enrollment. Frequently, their victims are low-income students, women, students of color, and military veterans.

One of them, Iowa's Eric Schmitt, told the U.S. Senate in 2011 that he owed about \$50,000 for a two-year paralegal degree, which employers scoffed at. Since earning the degree, he had worked as a flagman on road construction sites, an assembly-line worker in a pesticide plant, and a warehouse custodian on the 6pm to 4am shift. "If it weren't for my wife," he told the NEA Advocate, "I'd be destitute on the streets."

Protective rules have been a long time in the making. In 2011, at the urging of NEA and other student advocates, the Department of Education ("DOE") published a rule that

required for-profits to meet specific standards around loan defaults and debt-to-income ratios among their graduates—or lose their Title IV funding. But a judge set it aside in 2012. Now, the DOE has drafted new regulations, but submitted the proposal to a rulemaking committee to attempt to create a policy consensus among all the stakeholders. Whether that panel will achieve consensus remains to be seen. For its part, NEA has submitted written comments to federal authorities calling for appropriate and vigorous protections for students.

"We certainly hope the process results in a strong and enforceable rule that protects students and taxpayers," said Mark F. Smith, NEA's senior policy analyst for higher education. "If the negotiators cannot reach consensus on such a rule, we support the Department proceeding on its own."

# Power of the APA MEA

#### Why be in a union?

The union balances power in the workplace.

#### The Power of the APA/MEA

Union membership is about the balance of power with an Employer. The collective strength of 2,300 members speaking with one voice on key workplace issues balances the power of Michigan State University, with over a \$1 billion dollar operating budget.

#### **Power of Bargaining**

APA/MEA bargains the wages, hours and working conditions for members working for the University. The APA contract is a legally binding document that is enforced with the resources of the Michigan Education Association (MEA) and the National Education Association (NEA). The resources include bargaining experts, attorneys, researchers and benefit experts. The wide range of resources is comprehensive so that all aspects of the member's employment are protected.

The APA contract and the 2014-2017 Wages and Health Care Memorandum of Understanding can be found at www.msuapa.org.

#### **Power of Job Protection**

# Representation - Legal Safety Net

APA/MEA represents members in all situations of workplace issues and contract enforcement. This also includes the enforcement of all labor laws. When not unionized, the law applies to all employees, but the individual would need to hire a personal attorney to enforce it. Most individual workers do not have the personal funds to provide themselves this comprehensive legal safety net.

The representation of members is in all aspects of workplace issues and enforcement of labor laws. Some specific cases of enforcement are on discrimination, Family Medical Leave Act, Wage and Hour Law, and the Fair Labor Standards Act. These laws are enforced with the resources of the MEA so that each member is represented in all aspects of employment.

APA/MEA union membership includes a \$1 million dollar liability policy through the National Education Association (NEA).

#### **Job Security – Just Cause**

A union contract ensures the process of just cause which ensures appropriate due process and a consistent system of fair treatment. A non-unionized workforce is "at will" which allows the employer to terminate an employee for any reason not legally protected such as race, gender or ethnic origin.

# **Employee Counseling - Work Place Problem-Solving**

Many work situations do not require a legal claim or a grievance, but still is affecting a member's quality of working conditions. APA leaders and MEA staff give confidential tailored advice to each member based on the individual situation on any workplace issue. Issues may include evaluations, compensation, and workplace conflict. For more information go to www.msuapa.org or 517-353-4898 or email msuapa@msu.edu

# Your Fellow APs

Interviewed with Frank Tramble, Development Officer I for University Advancement.

I asked Frank about his work at MSU and it is clear that he truly enjoys what he does. Frank attended college at MSU, and worked as a student for what was at the time MSU Telemarketing. He returned as a staff member to Michigan State University about 5 years ago, and his passion for student development is palpable. Upon his return to MSU, Frank has revitalized the telephone fundraising effort to the MSU Green Line- the largest calling program in the Big Ten that employs over 200 students a semester. In fact, Frank enjoys his position and work so much that he commuted from Ann Arbor for several years!

Mr. Tramble strongly believes that his role and his student employees' role reaches beyond the almost 4 million in donations they cultivate. He and his student staff embrace MSU's core mission of giving and participate in philanthropy opportunities within the local community, from Haven House to local school drives. Frank is currently working to broaden student philanthropy across campus by creating the first campus-wide philanthropy project that crosses into both the residential and academic realms of the University.

While Frank clearly enjoys his role and work, I asked him how he navigates challenges in his position. He stated that although there is inevitable struggle and often reduction in funding, he works in a supportive environment. Mr. Tramble explained his supervisors are committed and dedicated to ensuring that while they may have less to work with, they will do their absolute best to ensure that initiatives and programs can still exist.

# **Questions from the Trenches**

Who was involved in bargaining of the ratified health care and wage agreement? The recent negotiations to reach the ratified health care and wage agreement was a collective effort of all support staff unions on campus (APA, APSA, CTU, AFSCME Local 1585, IATSE Local 274, IUOE Local 324, FOP Lodge 141, AFSCME Local 999) bargaining with the University at one time at the same table. APA/MEA UniServ Director, Melissa Sortman, served as the co-chief negotiator for all unions.

# What topics were discussed during negotiations?

The wage and health care agreement is limited in scope. Therefore, all parties negotiating the agreement only discussed and address matters directly related to health care and annual base wages.

Now that the agreement is ratified, will a fully funded base health care plan continue? Yes. Under the ratified agreement, the MSU base health care plan will remain fully funded, with no premium directly paid by APA members, through December 31, 2017. How does the matrix formula work to determine my annual base wage increase? The matrix in the ratified agreement defines the formula for the annual APA raises commencing with the October 2015 base wage increase. For example using the matrix, if health care costs increase by 4.75% in the first year of the agreement, APA members would be eligible for a 2% base wage increase in October 2015, subject to the standard contract provisions of 40% across the board and 60% using the merit pay process.

## Am I eligible for the lump sum payment in the ratified agreement?

Under the ratified health care and wage agreement, as long as the AP is actively employed in a union represented position on January 1, 2014 and January 1, 2015 respectively, and is MSU health care benefits eligible, the individual will be eligible for the lump sum savings disbursement.

#### How much will I receive in the lump sum savings disbursement?

The amount for all union members will be exactly the same though the final, exact amount has not yet been determined. The payment will be provided as a lump sum payment and does not impact your base wage.

Through the conversations during negotiations, it is reasonable to anticipate the January 2014 payment will be between \$750-\$1,000 and the January 2015 payment will be substantially less.

## What are the APA base wage increases in the coming years?

The following annual base wage increases are subject to the standard APA contract provisions of 40% across the board and 60% using the merit pay process:

October 2013 – 2% base wage increase

October 2014 – 2% base wage increase

October 2015 - 2.6% maximum base wage increase through matrix formula

October 2016 – 2.6% maximum base wage increase through matrix formula

October 2017 – 2.6% maximum base wage increase through matrix formula

October 2018 – 2.6% maximum base wage increase through matrix formula

#### LGBT Issues at MSU

The University's recognition of many Lesbian, Gay, Bisexual and Transgender (LGBT) rights and benefits is something often taken for granted at MSU. MSU's autonomy within the Michigan Constitution and the support of the senior university administration and labor community have helped keep our institution ahead of the curve in respecting the dignity, safety and equality of the university's LGBT employees and students.

However, the fight for full rights for those persecuted for whom they love still wages on within the United States, State of Michigan, and MSU. Michigan remains one of the most restrictive states in the country for LGBT rights, and lacks protections against hate crimes and discrimination in housing and employment at the state level.

The recent Supreme Court ruling invalidating key sections of the 1996 DOMA law and subsequent rulings by the Defense Department, Internal Revenue Service, Social Security Administration, Veterans Affairs, and Labor Department recognizing legally married same-sex relationships at the federal level have signaled an important advancement in LGBT rights in the US. Closer to home, a June ruling from U.S. District Judge David S. Lawson granted an injunction preventing Gov. Rick Snyder and state officials from enforcing the 2011 law prohibiting cities, counties and other public employers from offering benefits to same-sex domestic partners. The injunction cited animus as a principle motivator in passage of the law.

The Administrative Professional Association, MSU Coalition of Labor Organizations and the MSU LGBT Faculty, Staff and Graduate Student Association (GLFSA) continue to advocate for the equal treatment of LGBT employees at MSU and within the state and country. While many rights and benefits are protected contractually for LGBT APA members, the union continues to advocate for equal treatment in disparate areas such as Course Fee Courtesy benefits for spouses, children, and dependents. The ability to take bereavement leave for the death of a registered OEI partner was added in the 2011 APA Contract, but the University still does not grant most other labor groups this simple dignity. Other issues such as improving University run new employee orientation programs, benefits for same-sex married retirees, and tax implications with regard to the new rulings continue to be addressed.

If an APA member believes they are facing discrimination or harassment in the workplace for being LGBT or perceived as LGBT, they are encouraged to contact the APA office at 517-353-4898.

For more and ongoing information regarding LGBT issues at MSU, members are also encouraged to contact the APA at the information below and/or to join the MSU LBGT Faculty, Staff and Graduate Student Association (GLFSA). GLFSA will be hosting a domestic partner financial planning dinner on October 15 and a professional networking event on November 6.

MSU APA – Phone: <u>517-353-4898</u> Email: <u>msuapa@msu.edu</u>, Web: <u>www.msuapa.org</u> MSU GLFSA – Email: <u>glfsa@msu.edu</u>, Web: <u>www.msu.edu/~glfsa</u>

## **APA Coat Drive**

The MSU Administrative Professional Association's (MSU APA) Community Based Events Committee is pleased announce the start of our annual Winter Coat Drive, September 23 – October 25, in partnership with MSU's Migrant Student Services Program and Family Resource Center.

Each year many deserving MSU students are in need of a coat, hat, or other winter clothing. The APA is working to collect warm garments to help see these students through the cold Michigan weather.

In particular need are students from migrant labor families coming to MSU for the dream of education, but with few funds and no experience with freezing temperatures. New this year, MSU-APA will be partnering with the Lansing Public Schools Education Association in running a parallel drive. Children's coats and additional winter wear collected by the APA will go to support the needy students of Lansing Public Schools. Lansing Schools will likewise be sharing their additional winter wear with MSU. Last year's APA coat drive resulted in nearly 550 garments and our goal is to meet and exceed the 2012 success. Please contribute clean new or in good condition coats, hats, scarves, gloves and boots to any of the following locations between September 23 and October 25. Adult and children's sizes are needed.

#### Collection Locations and Contacts

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Administration Bldg., Rm 50 — Michael Braem — <u>braemmic@osp.msu.edu</u>
Administration Bldg., Rm 250 — Abby Parks — parksab@msu.edu
Agriculture, Morrill Hall of, Rm 207 — Kay Barber — <u>barberk@anr.msu.edu</u>
Angell Bldg., Purchasing Office — Nancy Vanderwest — <u>vanderw3@usd.msu.edu</u>
Berkey Hall, Rm 205 — Trudy Wesley — wesleyt@msu.edu
Biomedical & Physical Science Bldg., Rm 1441 — Renee Starkey — <u>starkeyr@msu.edu</u>
Broad Business Complex, Rm 505 — Debbie Richards — richards@broad.msu.edu
City Center, 325 Michigan Ave, Ste 350 — Janelle Flores — <u>floresj4@msu.edu</u>
Clinical Center, Rm B419 — Jackie Botsford — Jackie Botsford@hc.msu.edu
Communications Arts & Sciences Bldg., Rm. 201 — Trajan Dubiel — dubieltr@msu.edu
Computer Center, Rm 201 — Mary Patterson — patter38@msu.edu
Cyclotron, Lobby — Lauren Mollon — <u>mollonl@frib.msu.edu</u>
Engineering Bldg., Rm 3536C — Nicole Proctor — <u>proctorn@egr.msu.edu</u>
Erickson Hall, Rm 501 — Angel Boshea — <u>boshea@msu.edu</u>
Fee Halls, E &W Lobbies — Pat Grauer — Pat.Grauer@hc.msu.edu
Hannah Tech Center, Ste 200A — Kathy Paradise — paradise@msu.edu
Holden Hall, Rm C249 — Elias Lopez — <u>lopezel1@vps.msu.edu</u>
Holmes Hall, Rm W185 — Sue Brandt — brandts@rhs.msu.edu
Infrastructure, Planning & Facilities, Rm 123 — David Graff — <u>dsgraff@ipf.msu.edu</u>
International Center, Rm 7 — Laura Wise — lauraw@msu.edu
Kellogg Center, Rm 93 — Cindy Helms — <u>chelms@msu.edu</u>
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Library (Main), Circulation Desk — Susan Garmo — garmo@mail.lib.msu.edu
Life Science Bldg., Rm A218 — Deborah Sudduth — Deborah.Sudduth@hc.msu.edu
Linton Hall, Rm 317B — Dawn Lehman — lehman@msu.edu
Natural Resources Bldg., Rm 131 — Kim Richards — richards@anr.msu.edu
Natural Science Bldg., Rm 243 — Pat Sutherland — suther24@cns.msu.edu
Nisbet Bldg., Ste 10 — Todd Bradley — bradl264@hr.msu.edu
Olds Hall, Rm 101 — Venice Smith — smithde4@pres.msu.edu
Olin Health Center, Rm 355 — Erica Phillipich — Erica.Phillipich@hc.msu.edu
Plant & Soil Science Bldg., Rm A288 — Emily Flanner — flannere@msu.edu
Secchia Center, Ste 450 — Cynthia Vincent — Cynthia.Vincent@hc.msu.edu
Spartan Way, Rm 300 — Laura Peek — lpeek@msu.edu
Student Services Bldg., Rm 339 — Juan Flores-Soto — floresj2@msu.edu
Surplus Store & Recycling Center, Admin Offices — Lauren Olson —
olsonla3@msu.edu —
Veterinary Medical Center, Bldg G Lobby — Kaye Boucher — boucher3@cvm.msu.edu
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Wells Hall, Rm C-715 — Judy Miller — miller@math.msu.edu

## More You Know Sessions

APA will be offering new training sessions on key provisions of the APA Contract, the Memorandum of Understanding on Wages and Health Care and labor laws that impact your working environment. The session will be interactive and informative.

The first session will be held on 12:00 pm - 1:00 pm on Friday, October 18 on Family Medical Leave Act and your APA Contract. The meetings will be held in the Abbott conference room in Snyder-Phillips.

If you have specific questions you would like answered ahead of time please contact Melissa Sortman, APA/MEA Staff at <a href="msortman@mea.org">msortman@mea.org</a>.

Please RSVP to reserve your spot as space will be limited. Cafeteria lunch will provided.

<u>Future More You Know Sessions:</u> How do I get a raise? Compensation November 8 12:00 pm – 1:00 pm

Member rights and union protections December 6 12:00 pm – 1:00 pm