

AAUP-UD Update to Faculty

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AMERICAN
ASSOCIATION OF
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PROFESSORS

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To the UD Bargaining Unit Faculty:

This communication is meant to update you on our activities and to address a few concerns that some of you still may have. The consequences of the administration's plan for mitigating the budget deficit by reducing personnel costs are growing in number and intensity. On October 8, President Assanis announced that staff would be subject to "reductions in time" equivalent to 5% pay cuts. Last week, staff layoffs began. As we indicated in our October 12 open letter to the UD community, we do not believe that the administration has adequately demonstrated the necessity of these personnel actions, and we still believe that we should not return to the bargaining table until there is clear evidence (or data) demonstrating that such an action is the only reasonable solution, rather than being merely a convenient solution for them. Below we address some important questions.

How has the administration failed to make their case?

The administration has not yet provided the AAUP-UD, or the University community, with a complete and accurate picture of UD's financial health or a complete explanation of their approach to deficit mitigation. For example, they have yet to explain why they are not using more of the current assets—including endowment funds, real estate holdings, and large budget surpluses of the past decade—to fill budget gaps. They have yet to explain why the relatively minimal cuts to the compensation of high-paid administrators have not been substantially increased, and why they continue searching for and hiring new highly paid employees despite a "hiring freeze." Until the administration makes a clear and convincing case for the necessity of layoffs and salary cuts to essential staff, they should not resort to such measures. Why the administration has not provided the University community with a complete picture of UD's financial health remains an unanswered question.

What is the best way for the AAUP-UD and faculty to support staff members at this time?

We at the AAUP-UD believe that the best way for us, and individual faculty, to support staff is to continue to insist on budgetary transparency from the administration. Without such transparency and the necessary scrutiny that it will bring, the administration can continue to pursue actions against personnel that may, in fact, be avoidable while claiming that they have no other choice but to do so. As one of the few subsets of UD employees who have collective bargaining protections, faculty must hold the administration accountable for their fiscal decision-making, and we must do it now, when the stakes are so high, for the benefit of all UD employees who might be affected. Furthermore, without the requested transparency there is no way to ensure that any contributions to the "collective sacrifice" made by the staff and faculty will be enough to forestall either the current or any future financial crisis. Without transparency there is no way of knowing how much of the current financial crisis has been created by questionable spending decisions, which if continued would result in even larger future deficits.

In addition to supporting the staff by insisting on financial transparency, the faculty have been supporting the staff by ensuring that the university's academic missions of teaching and research are fulfilled. Faculty have been delivering high quality academic programs and carrying out their research using completely new modalities. Throughout the spring and summer, faculty worked tirelessly to recreate the high quality face-to-face instructional offerings with online versions. Some faculty have been paying for internet and computing upgrades and technology fixes that allow them to do their work and deliver courses remotely. While we all look forward to the day when it is safe for us to meet together again in person, for now the faculty are working as hard as possible to deliver our programs and support our students while meeting as closely as possible UD's high standards. The extra effort and resources the faculty put into their work benefit the staff by keeping UD a viable option for students to obtain an excellent education and to justify the tuition dollars that they are paying.

Wouldn't the faculty taking a 5% pay cut now clearly save some staff?

No. There is NO reason to believe that concessions from the faculty would lessen the administration's actions toward staff. We gave several reasons why we believe this is so in our open letter from October 12. In addition, although an across-the-board 5% cut might seem "equal," it certainly is not equitable and would cause lower-paid faculty to suffer much more than the highly-paid administrators. Unfortunately, this inequitable "solution" already is being planned for, with reductions in staff time beginning the week of Thanksgiving. In addition, staff already have begun to be laid off.

What has the administration done so far to make the University's financial situation transparent?

On September 29, the AAUP-UD requested a list of financial information from the administration. On October 1 the administration wholly rejected our request. Since then, they have indicated three times that they would provide us with at least some of this information, but they have not been specific about what will be forthcoming or when. On October 14 the University." However, as multiple faculty members and even some administrators have pointed out to us, it is not possible to determine a complete picture of UD's financial health from this website or to assess the validity of the administration's claim that they have fully utilized their other available means to alleviate the current financial situation. AAUP-UD has not received any financial information from the administration to date other than what was published on their new website.

What has the AAUP-UD done to analyze the available financial data?

The AAUP-UD Steering Committee established an *ad hoc* Financial Analysis Subcommittee to analyze the data made available on the above website and other public platforms. The subcommittee determined that this information was insufficient to determine the true state of the financial health of the University. However, in anticipation of the administration sending us additional data, the subcommittee recommended hiring an external accounting firm to help assess the current and any future data. To this end, the AAUP-UD leadership has retained the accounting firm Belfint, Lyons & Shuman, P.A. to conduct a financial analysis. This firm estimates that it can provide an analysis by the end of this month, provided that the administration releases the necessary information in a timely manner.

Why has the AAUP-UD not gone to the bargaining table without receiving the information that we requested? Couldn't we bargain for this information?

Some faculty members have asked why the AAUP-UD has not gone to the bargaining table first and then requested financial data as part of official negotiations. The answer is simple: we believe that the administration is more likely to give us the detailed information we requested if returning to the bargaining table is dependent on that. And since our returning to the table could only result in further concessions by faculty, then we should have sufficient evidence that the University truly needs to mitigate its deficit with personnel actions. If we return to the bargaining table without sufficient data, the administration will have less incentive to provide it and will have greater reason to believe that they can continue to manage UD's fiscal affairs with little to no oversight.

Returning to the bargaining table without a truly clear view of UD's financial situation would leave us in the unenviable position of having to a) negotiate based on unexamined, unproven assumptions about the financial health of the university or b) leave the bargaining table having spent the time of our bargaining team faculty and the dues of AAUP-UD members (on considerable legal fees) without having accomplished anything. We believe that neither of these options makes sense. Our Steering Committee wisely decided on October 9 to stay our current course of declining the administration's request to return to the bargaining table, and we hope that our actions will encourage the administration to be forthcoming with our requested data. Our Financial Analysis Subcommittee and external accounting firm will be prepared to receive and analyze this information in good faith.

Why is it important for the AAUP-UD to insist on financial transparency?

No one should think that the administration will easily overcome their longstanding reluctance to be financially transparent. Despite an explicit provision in UD's Charter that allows the State Auditor to audit the state's annual appropriation to UD, which reached \$125 million this year, UD's administration has even refused to open its books to state officials. We at the AAUP-UD need to counter the administration's reluctance to become financially transparent with our insistence that they must do so to secure our assent to bargaining.

If we at the AAUP-UD insist on requiring financial transparency as a prerequisite to bargaining, we will increase the likelihood that it will occur. Our insistence also increases the likelihood that the University's people—including its staff and its faculty—will be valued more highly than its property or endowment, the vast majority of which has been declared untouchable by the administration. We believe that staff should not be treated as expendable members of the UD community because of their support for us and for our students. Our strength as an organization may even inspire staff members to establish unions of their own. The recent actions of the administration have shown that staff would benefit from the protections that collective bargaining affords.

We continue to wish you and your families the best during these stressful and uncertain times. Please reach out to us if you have any questions or if we can be of any service.



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