



To: Senate Education and Workforce Development Committee

From: SEIU Local 503 – Len Norwitz; Political Staff; 1730 Commercial St SE – Salem, OR 97309

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Re: SB 270 – Institutional Governance in Higher Education

Date: Thursday, February 28, 2013

Chair Senator Hass; Vice-chair Senator Tim Knopp; and committee members Senators Arnie Roblan, Jeff Kruse and Lee Beyer – SEIU Local 503 went on the record in opposition to Senate Bill 270 earlier this month. I will attach the testimony of SEIU member Marc Nisenfeld below – as a reiteration of our concerns about this legislation.

However I want to take a quick moment and comment on one of the disturbing narratives around the topic of board membership. It appears that there are two kinds of folks being thought of as members – those who may have experiences as students, faculty or classified staff – and then those other folks who are thought of as “Good Samaritans – non-self-interested citizens” who will be looking out for the greater good and have quote – “no skin in the game”.

The former group has contractual arrangements either as payers – students; or bargaining unit members – faculty and classified and the story goes – “how are they ever going to overcome their narrow focuses to be part of the greater good that this Local Board aspires to?” “What will they do when the topic of contracts come up?”

The latter group we understand will come from civic backgrounds; business; active philanthropy and alumni interests – and come unfettered to the table to do the University’s work. We would like to offer that all participants will bring an array of self-interests to the table – and those that are in conflict with the business and work of the board/institution will recues themselves just as any board or commission member under Oregon statute. So would classified or faculty vote or participate in bargaining discussions? – no. Just as a realtor or a banker on the board would not participate in discussions about purchasing property that could benefit their private interest.

We hope that the discussion of board representation stays within this kind of a framework as we strongly believe that a board without internal campus voices is missing the boat on how local governance and decision-making can move forward – and still be part of a statewide system of public higher education.

Testimony before the Senate Education and Workforce Development Committee – on Senate Bill 270 - 2/7/13 - Marc Nisenfeld, SEIU Local 503

Good afternoon – my name is Marc Nisenfeld and I am a member of the Service Employees International Union - Local 503. SEIU represents about 4,000 classified workers who support students and faculty at all seven universities. We work in food service; grounds, maintenance and custodial work; office, IT and admin support and staff campus libraries. I serve on the Board of Directors as well as chair our Higher Education Council. I also chair our Bargaining Team, and am President of our Local at Portland State University. For my day job, I work as a Development Engineer where I design and build custom apparatus for research scientists and graduate students at PSU. I've been at PSU for nineteen years and love having the opportunity to contribute to the higher education of Oregonians and to research - that advances our knowledge in many areas. I am here to testify on Senate Bill 270 – the so called pathway for Institutional Boards at the University of Oregon and Portland State University. We are presently opposed to SB 270 as we await someone to make a strong case for the benefits that they will be created.

We are strong supporters of having internal campus representatives serve as members of these institutional boards. Our union's Higher Education Council adopted a set of principles over the last several years that included the following approach to institutional boards: "a majority of the members of such boards should be elected from the community and represent students, faculty and classified staff." What we might be looking for is a body that has democratic roots and accountability and that relies on the experiences and knowledge that internal representatives – those who work and study on campus – can bring to these boards. Would you create an advisory/governance body for the legislature that didn't include the folks who worked in it? Pretty unlikely. We would strongly suggest that students, faculty and classified staff be able to elect their representatives. Furthermore, we would suggest holding jurisdictional elections for some of the designated at-large positions, similar to the way community colleges elect their board members. We see this as a way to further ensure a level of democracy and accountability that only predictable and contested elections can provide.

Here are some other concerns we have about the pathway that is SB 270:

- Local/institutional boards will cost the state more money & divide Oregon's Higher Education communities. Instead of a unified OUS request to the legislature - individual universities will use regional political clout to squeeze money out of the system in competition with the other universities.
- We understand that Institutional Local Boards will cost somewhere between \$3 million - \$8 million for each board - per year – as estimated by the State Board of Higher Education's Governance and Policy Committee in a March 16, 2012 presentation. Added functions per campus include Legal; Audits, Board Support and Communication; Risk Management; Treasury and Payroll, to name a few. SB 270 is insufficient at describing how "shared services" currently under OUS will be divided up and/or provided.

- New local boards will bloat administration on the backs of students. In preparation for having a local board, in the last 16 years UO has increased administrative costs 166% and PSU has increased them 144% in comparison to OSU – where their increase was only 85%.
- Present language - around the powers of local boards - grants their Universities up to 5% increases in student in-state tuition costs per year – without having to attain legislative approval. There is currently no language that controls graduate tuition increases or increases for out-of-state student tuition. We believe in statewide oversight of tuition, as a way of continuing to keep system schools more affordable and truly public.

I do want to thank the authors and acknowledge your determination that - and I quote - in Section 7; Number 2; letter c - “Institutional boards shall participate in a collective bargaining partnership with the Statewide Board of Higher Education and members of other institutional boards for the purpose of entering into collective bargaining agreements with statewide bargaining organizations of the employees of the university.” It is essential that we remain a statewide unit for bargaining wages, benefits and working conditions. It is interesting to me that the word “public” was always prominent in this clause of earlier bill drafts until the most recent legislative iteration – as in “the employees of the public university.” But that word – public university – is what we are concerned about and why we are presently testifying in opposition to SB 270. We don’t think they can be afforded with all that is going on in the economy; with educational overhauls in the state; and with the insecurity of our resources.

Lastly – we want to make sure that any legislation around governance keeps all campus property in the ownership of the citizens of the state of Oregon. They should be maintained and treated as just that – public treasures – in state ownership. Thank you for taking the time to hear us out on this.

I would be remiss not to add that a college education is becoming unrealistic for our members’ kids and grand-kids. Half of SEIU’s 55,000 members are care providers for the elderly, for kids, and for people with disabilities – and the vast majority of them max out earning \$10.20/hour. College is not part of their culture. Tuition is not affordable. And without that degree, the likelihood that their children continue in poverty as adults is high. This is true not just for care providers but for our state and Higher Ed workers as well since their average wage is well below \$40,000 also. Rising tuition and student debt as a big problem for our members too. It is also part of the overall issue of economic justice in America. You go from student debt to being underwater on your mortgage, and then to medical debt, and then to retiring into poverty without a pension. We are fighting on all of these fronts to reverse the race to become a debtor nation. High tuition and student debt are real parts of the problem. So we are vigilant about maintaining the public aspect to our university and community college systems and from that place our principles that we have adopted spell out how we see some of these governance issues.

I will close by adding that our membership will be closely monitoring the drafts and discussions around the issues of “local governance” and institutional boards. We already have multiple new layers of oversight and governance that were created in 2011 by Senate Bill 242. Many of us are scratching our heads trying to determine what problems will be solved by another level of governance and how another level of infrastructure will be supported. Thank you for your time.

