



State Universities
of Massachusetts

9 November 2018

Christopher O'Donnell, President
Massachusetts State College Association
c/o Massachusetts Maritime Academy
101 Academy Drive
Buzzards Bay, MA 02532

Dear President O'Donnell:

I am in receipt of an open letter from the MSCA to me as well as a more recent letter from the Commissioner of Higher Education to you. I write to you today as the Chair of the Council of Presidents to provide a response to those correspondences and to provide some additional information regarding the ongoing process of finalizing funding of the collective bargaining agreement between the Board of Higher Education and the MSCA.

In my conversations with you and separate conversations with the staff of the Department of Higher Education, we have all come to understand the concern of the Administration as it relates to the overall cost of the BHE/MSCA CBA. In our case, the negotiated contract far exceeds the fiscal parameters communicated by the Governor (the increased cost is in the range of at least 5% rather than the 2% limit communicated at the start of the bargaining process).

Further, as evidenced by the Administration's unwillingness to proceed with the CBA between BHE and APA due to a de minimis increase in a uniform allowance, it is clear that this Administration is considering *all* increased contract dollars against the 2% cap. In fact, it was only after substantial monetary concessions (including the changes in paid leave) were identified and subtracted from the cost calculation that the APA contract was approved.

Making matters a bit more difficult than in years past, perhaps, is the fact that several other public collective bargaining contracts include "reopener" clauses, meaning that if the Administration were to support a CBA which exceeds the 2% cap, these earlier contracts would have to be re-negotiated.

Regarding the MSCA contract, the substantial increased cost of newly negotiated "equivalencies" has been estimated to be in excess of \$7M and, therefore, clearly stands as the principal reason that the BHE/MSCA contract cost so greatly exceeds the fiscal parameters set by the administration. Further, the COP recognizes, and I think that you would agree, that "equivalency" increases are clearly a cost item and, as such, are subject to legislative appropriation and, further, that their implementation is contingent upon the institutions' receiving state funding for that purpose. (See Art. XXI and the statutory description of cost item.) In consideration of this, the universities are presently unable to implement them. Similarly, the increases in chair stipends, promotion increment and terminal degree increment also push the incremental cost above the allowable 2% maximum.

At the time of the negotiations, the cost impact of the equivalencies was not known or was not accurately estimated by members of the bargaining team. The Administration also did not clarify to the bargaining team that "2% cost cap" limited other contract expenses. Had the members of the

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bargaining team fully understood these matters, I am confident that the contract would, by now, be settled and funded – and, most importantly, our valued faculty members would have received the salary increases that many other state unions will receive.

It seems to me that there is one of two options we can pursue: 1) Wait to see if the Administration will formally reject the proposed contract which, as you know, will force us back to the bargaining table; and, 2) Voluntarily reconvene the bargaining teams in an attempt to find a path to bring the contract in line with the predetermined fiscal parameters. As we all work through this very unclear situation, please know that the COP has been working in earnest with DHE staff in support of the CBA. Further, please know that we, like the Commissioner, stand ready to reconvene to discuss an equitable and timely resolution should the MSCA desire to do so.

Regards,



Francis X. McDonald
Chair, Council of State University Presidents
President
Massachusetts Maritime Academy