

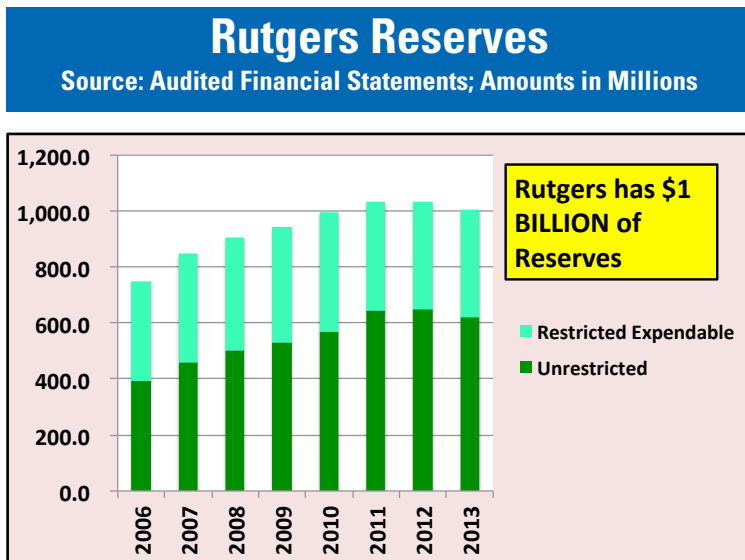


## Follow the Money: ⑤ key findings of the Bunsis Report

This year we worked with our sister union Rutgers AAUP-AFT to analyze Rutgers finances in preparation for bargaining. Rutgers AAUP-AFT commissioned an extensive analysis by one of the nation’s leading experts on higher education finance. Dr. Howard Bunsis is an Eastern Michigan University Accounting Professor who is a Certified Public Accountant and Lawyer as well.

In this newsletter, we discuss five key lessons from Dr. Bunsis’ analysis.

- ① Rutgers has a lot of money; more money than ever before even accounting for the financial liabilities of merging with UMDNJ and stagnant state support. We believe Rutgers has a crisis in distribution of money, not a lack of funds.
- ② The 2010-2012 “salary freeze” was not caused by any fiscal crisis. On the contrary, Rutgers added hundreds of millions to its reserves during that period.



**We need raises: Can Rutgers afford them?**

“The money is there, but we have to demand our share. Right now, executive pay and athletic expansion are the top priorities at Old Queens,” said URA-AFT President Lucye Millerand. “As we bargain this Fall, it’s important for members to know that Rutgers can well afford to pay us significant raises.”

“There is no financial need on management’s side to withhold raises or reduce staff. There is a financial need for us to make up the ground that has been lost to the salary freeze and increasing pension and health insurance costs,” said Millerand.

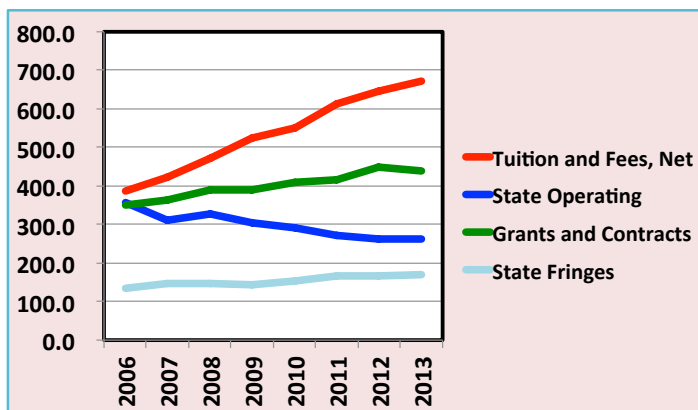
**RECLAIM RUTGERS: Pledge your support to the URA-AFT bargaining team and demand fairness and respect from Rutgers University by signing the petition at: [www.ura-aft.org](http://www.ura-aft.org)**

## ③ There is no “budget cutback”.

While state support has declined, income from tuition, grants and auxiliary services have all grown.

### Rutgers: Main Revenue Sources Over Time

Source: Audited Financial Statements



## Rutgers Fiscal Priorities—Not Fiscal Problems

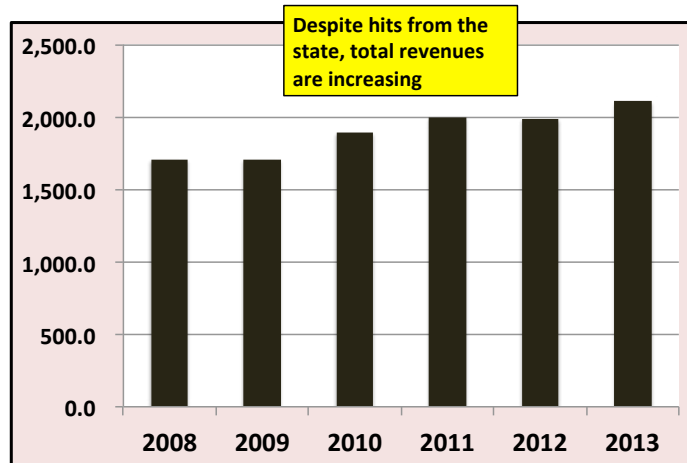
By Christina Towne, AFT Rutgers Research Analyst

Rutgers University is not broke and is actually in excellent financial shape when compared to other universities. Any budget “shortfalls” are really choices made regarding fiscal management. Rutgers appears to maintain such a large reserve in order to keep a high capacity for borrowing money (generally for capital investment and expansion) – Rutgers has \$2.1 billion in outstanding debt.

Rutgers actually has a higher credit rating (Aa3) than the state of New Jersey (A1). A state university having a better credit rating than its state government is uncommon. Moody’s most recent credit rating highlighted Rutgers’ “diversity of programs and revenues” as a major factor in its recent credit reports.

So why isn’t Wall Street worried about the decline in state appropriations that Rutgers managers always seem to cite as the reason for poor finances? The sad reality is that state appropriations are becoming a smaller percentage of the cost of higher education everywhere. Rutgers has chosen to follow the general trend in higher education finance and become more dependent on tuition and fees.

### Rutgers: Total Revenue Over Time

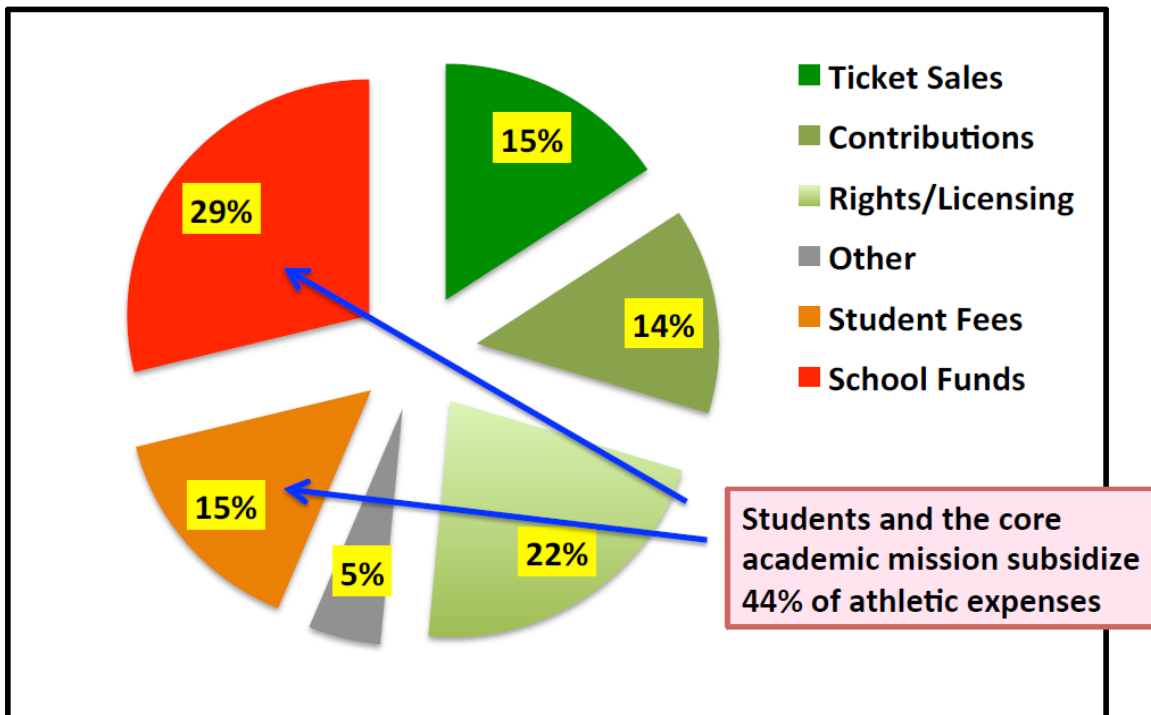


## ④ Student fees and academic funds pay for sports

This picture will not change soon, if ever. There is no guarantee that Rutgers Football will ever be self-sustaining financially.

### Rutgers Athletics: Large Reserves but Large Subsidies

Revenues according to NCAA data 2012



## Our Fair Share: What are we really asking for?

Rutgers works because we do. But our paychecks do not reflect our dedication that helps Rutgers to grow and succeed as a premier research institution. Recent salary freezes combined with increasing healthcare premiums have caused financial hardship. Yet we continue to work hard for the University and students of New Jersey. Would giving us a fair salary and benefits package be much of a hardship to Rutgers' budget?

**2,339** ..... Total number of URA employees

**\$134,422,101** ..... Total of all URA employees' annual salaries\*

**\$55,998** ..... Median URA employees' annual salaries

**\$57,494** ..... Mean URA employees' annual salaries

**\$1.3 million** ..... Cost of each 1% of salary increased for all URA workers

**\$6.7 million** ..... Cost of a 5% salary increase for all URA workers

**\$13.4 million** ..... Cost of a 10% salary increase for all URA workers

**\$3.4 million** ..... Cost of the Rutgers Strategic Plan (2014)

**\$102 million** ..... Cost of Rutgers football stadium expansion

**\$2.2 million** ..... Perneti/Rice payouts (2013)

\*as of July 18, 2014 payroll information

# UNION OF RUTGERS ADMINISTRATORS

## 5 \$26 million in salaries went to just 79 top execs.

According to Professor Howard Bunsis, this figure is far out of line with other comparable universities.

Here are the top 25 salaries. To see the remaining top 79 salaries see the full report in the 2014 contract section at [www.ura-aft.org](http://www.ura-aft.org) and sign the petition calling for a fair contract.

### Top 25 Rutgers Salaries

Source: Rutgers University public records dated 11/8/13

Title	2013-14 Salary	Department	Campus
HEAD COACH	\$850,000	Football	Busch
University Prof-Chancellor	\$675,000	CS-President's Office	Health Sciences - Newark
PRESIDENT	\$650,000	President's Office	College Av
HEAD COACH	\$550,000	Mens Basketball	Livingston
HEAD COACH	\$550,000	Womens Basketball	Livingston
PROFESSOR - CM - DEAN	\$510,000	RWJ-Pathology-PISC	Piscataway
Professor-CM-Dean	\$484,500	NJMS-Dean's Office	Health Sciences - Newark
DIR INTERCOLLEGIATE ATHLTCS-NB	\$450,000	Intercollegiate Athletics	Livingston
VP HEALTH SCIENCE PARTNERSHIPS	\$420,987	SAS - Dean's Office	Busch
DEAN	\$417,095	General Counsel	College Av
UNIV CHIEF FINANCIAL OFFICER	\$416,160	CS-Fin_CFO Finance	Health Sciences - Newark
PRESIDENT & CEO UBHC/UHC	\$402,635	UBHC-P-VICE PRES & CEO-PISC	Piscataway
EXEC VP FOR ACADEMIC AFFAIRS	\$395,000	Exec VP for Academic Affairs	College Av
PROF - VICE CHANCELLOR	\$395,000	CS-President's Office	Health Sciences - Newark
PROF CM DIRECTOR	\$391,511	CINJ-Director's Office	Piscataway
SR VICE PRESIDENT - FINANCE	\$385,000	President's Office	College Av
PRES RU FOUND/VP DEV&ALMN RELS	\$370,000	Rutgers University Foundation	College Av
PROF-ASSOC DEAN	\$364,140	RWJ-Child Health Institute	Piscataway
INTERIM PROV BIOMED/HEALTH SCI	\$350,000	Exec VP for Academic Affairs	College Av
Dean	\$343,487	Rutgers Business School-Nwk	Newark
PROF - CM - INTERIM CHAIR	\$339,214	RWJ-Medicine-Pulmonary-Meb	Piscataway
CHIEF OPER & FIN OFF	\$338,130	RWJ-Planning & Admin-PISC	Piscataway
PROF - BS - INTERIM DEAN	\$331,500	CINJ-Scotto's Lab	Piscataway
PROF BS DEPT CHMN	\$327,420	NJMS-Cell Biology & Molecular Med	Health Sciences - Newark
PROF CM DEPT CHMN	\$325,598	CINJ-Radiation Oncology-Admin	Piscataway

### Need More Data?

Dr. Bunsis' review of Rutgers' records included financial statements, payroll records and data from the Integrated Postsecondary Data system (IPEDS), as well as media analysis including USA Today reporting on athletic spending in comparison with academic spending.

On April 10, Dr. Bunsis presented the results of his research at public forums on campus. Members of URA-AFT's contract proposal committee attended, along with other staff, faculty and students.

The full presentation is available by visiting our website at [www.ura-aft.org](http://www.ura-aft.org)



UNION OF RUTGERS ADMINISTRATORS  
 AMERICAN FEDERATION OF TEACHERS  
 57 PATERSON STREET, 2ND FLOOR  
 NEW BRUNSWICK, NJ 08901  
 PHONE: 732-745-0300 FAX: 732-745-0400  
[WWW.URA-AFT.ORG](http://WWW.URA-AFT.ORG)