Rider University's Initial Proposal to the AAUP
for a Successor Collective Bargaining Agreement
To be Effective September 1, 2022

In accordance with Article XXXIX.B of the parties' current collective bargaining agreement and our correspondence regarding the exchange of proposals, Rider University is providing the AAUP with its initial proposals for a successor collective-bargaining agreement effective September 1, 2022. These proposals are not intended to be technical contract language, which will be provided during the negotiation process. Further, the University reserves its right to add additional proposals or modify any of these proposals at any time during the negotiation process.

As you are well aware, during previous negotiations, the University articulated its need to achieve significant short-term cost reductions as well as longer term structural adjustments in order to achieve financial health. At that time, the AAUP outright rejected the vast majority of the proposals presented by the University that would have aligned the bargaining unit with peer institutions and, in turn, positively impacted the University's financial situation. This included, among other things, proposals regarding academic governance, external tuition remission, priority adjunct benefits, and workload. The University signaled that, without the savings generated from those proposals, we anticipated substantial on-going and worsening deficits. Those projections, unfortunately, have now become reality as the University is facing a $20 million deficit this fiscal year that must be reconciled, which is explained in more detail below.

It is important to understand at the outset that the savings the University seeks to achieve are not limited to costs associated with employees covered by the AAUP agreement. Quite the contrary, the University is seeking to achieve the majority of its cost-savings outside of the collective bargaining negotiations with the AAUP. For example, separate-and-apart from these negotiations, the University is significantly reducing its non-AAUP workforce through a number of strategies including the elimination of vacant positions, a voluntary separation program, and an involuntary reduction-in-force. In total, over 100 positions are being eliminated as a result of these actions. Additionally, substantial budgetary cost reductions and benefits adjustments have been undertaken. In total, these measures are expected to yield nearly $12,000,000.00 in administrative savings.

Although these reductions in staffing and other savings unrelated to the AAUP bargaining unit will help the University achieve the majority of the required savings, more is needed. And the reality is that a meaningful portion of the deficit must be addressed through collective bargaining negotiations with the AAUP. Specifically, it is anticipated that the University's proposals will reflect a projected savings of about $7 million dollars.

In addition to presenting proposals that seek to achieve necessary cost savings, the University also will present proposals intended to allow it to regain managerial control over certain University and academic matters that currently are managed largely by AAUP members. While we agree that faculty input in academic matters is important, the current level of managerial control exercised by AAUP faculty over academic matters is untenable and stifles the University's ability to manage itself (which also impacts the University's ability to address financial issues). Please note that the current level of control exercised by AAUP members is inconsistent with the National Labor Relations Act, 29 U.S.C. §§ 151 to 169, pursuant to the Supreme Court of the United States' decision in *NLRB v. Yeshiva Univ.*, 444 U.S. 672 (1980) and its progeny, which exclude "managerial employees" from coverage under the NLRA. With that in mind, it is imperative that the University regain managerial control if the bargaining unit as it currently exists is to remain intact because the current level of managerial responsibility exercised by faculty necessarily precludes the faculty from remaining as members of the bargaining unit.

The principal team members at the bargaining table this year will consist of Dr. DonnaJean Fredeen, Provost and Vice President of Academic Affairs, Robert Stoto, Vice President for Human Resources, Matthew Stieglitz, Esq., Associate Provost and Legal Counsel for Academic Affairs, Dr. Bradley Litchfield, Assistant Provost, Dr. Eugene Kutcher, Dean of the Norm Brodsky College of Business, John Romeo, Esq., Chief Negotiator and Director with Gibbons P.C., and James La Rocca, Director with Gibbons P.C., along with leadership and guidance from the President, Vice President of Legal Affairs and General Counsel, and Vice President for Finance. The team is available to commence negotiations on June 22, 2022. After that, the team is available to meet weekly (on Wednesdays), with an express preference for meeting multiple times during the week. Our expectation is that the parties will reach a new contract by September 1 in order to allow the University to achieve essential cost-savings measures for the full academic year and to minimize any potential negative impact on current Rider students and future enrollment.

The Critical Need for Proposed Changes

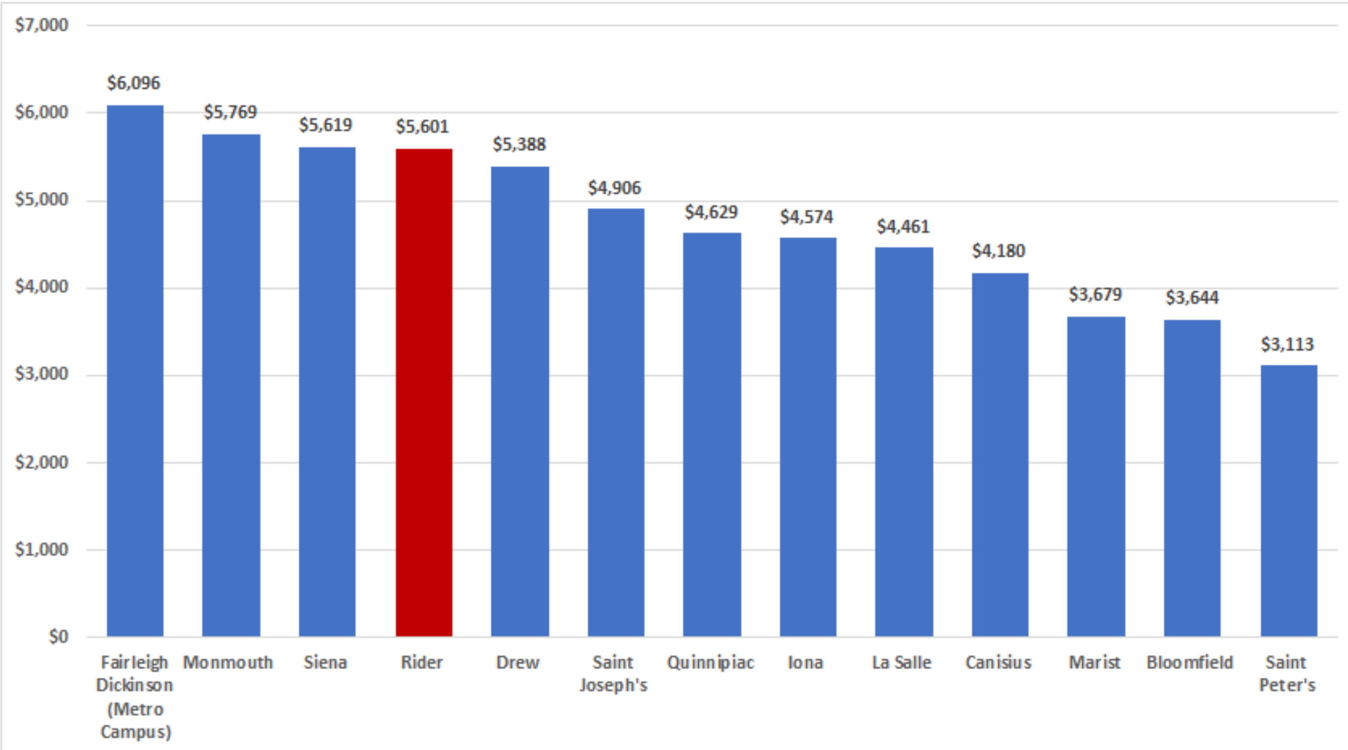
As with many private, independent not-for-profit colleges and universities across the country, Rider continues to face a number of serious challenges and issues impacting its competitiveness and the sustainability of its financial model. Cost of attendance continues to be the number one reason cited by students who choose not to attend Rider as indicated by responses to the annual Office of Admissions survey. The significant reinvestment in institution-provided student financial aid (and corresponding decrease in net tuition revenue) is not sustainable without corresponding decreases on the expense side.

Over the last decade, the University's unrestricted operating results went from essentially break-even in 2011 to a projected deficit of approximately $19 million in fiscal year 2022. While the University has utilized various approaches to reduce costs, steadily declining net tuition revenue has contributed to the deficit growth and now must be addressed through immediate and significant cost-saving measures.

Going into these negotiations, the undeniable reality is that despite efforts over the past several years to achieve cost savings, these efforts have been insufficient to get the University on a more sustainable path, and benchmarking confirms that Rider's cost of instruction remains high as compared to peer institutions.

As we have previously discussed, Rider benchmarks faculty costs against direct admissions competitors, mid-Atlantic Master's institutions, and select private Master's institutions with similar enrollment and financial resources (also used to benchmark administrative salaries). Consistently across all benchmarking, Rider's faculty costs are high – largely due to the number and mix of full-time faculty, lack of non-tenure track faculty, and comparatively high wages and benefits. While Rider's administrative and clerical employees (non-AAUP), collectively, are paid at or below survey medians, Rider's faculty, collectively, are paid substantially above median. In fact, Rider's full-time faculty cost per student is 20% higher than the peer average and adjunct pay per section is significantly above many direct competitor institutions.

Figure 1: Full-time Faculty Salary Cost Per Student FTE



***Source**: 2021-22 AAUP Faculty Compensation Survey & IPEDS*

***Note:** Figure 1 reflects those Rider top cross admit private, Master's level institutions that participated in the 2022 AAUP salary survey. FTE Enrollment Source: IPEDS Fall 2020 Full-time equivalent enrollment.*

Table 1 below (along with the corresponding **Figures 2** and **3**) compares Rider faculty average salaries by rank for the current 2022 academic year to AAUP Master's level institutions in the Mid-Atlantic region. All peer data referenced is per the AAUP's 2022 faculty salary survey, Table 4. Key conclusions from the survey comparisons are:

- Rider's average faculty salary of $104,600 is $12,230 (13%) higher than the regional average.
- Rider's average compensation (wages plus medical and retirement benefits) of $121,900 is $6,563 (6%) higher than the regional average.
- Rider is higher for most ranks in the comparisons:

Table 1
2021/22 Average Salary by Rank

AVERAGE FACULTY SALARY BY RANK vs. Mid-Atlantic Region				Rider
	Rider Avg. Faculty Compensation	**Mid-Atlantic** Avg. Faculty Compensation	**Rider** vs. **Mid-Atlantic** ($)	**Rider** vs. **Mid-Atlantic** (%)
Professor	$120,600	$116,544	**$4,056**	**103.5%**
Associate	$105,500	$92,562	**$12,938**	**114%**
Assistant	$86,500	$76,946	**$9,544**	**112.4%**
Instructor	--	$60,919	--	--
Lecturer	$69,790	$70,090	($300)	99.6%
No Rank	--	$72,685	--	--
Weighted Average	**$104,600**	**$92,370**	**$12,230**	**113%**

[1] *Mid-Atlantic States are New York, New Jersey, and Pennsylvania*

Shown differently, Rider's average faculty salary remains 13% above comparator institutions:

Figure 2: Rider FT Faculty Salary as a % of Mid-Atlantic, Master's Institutions

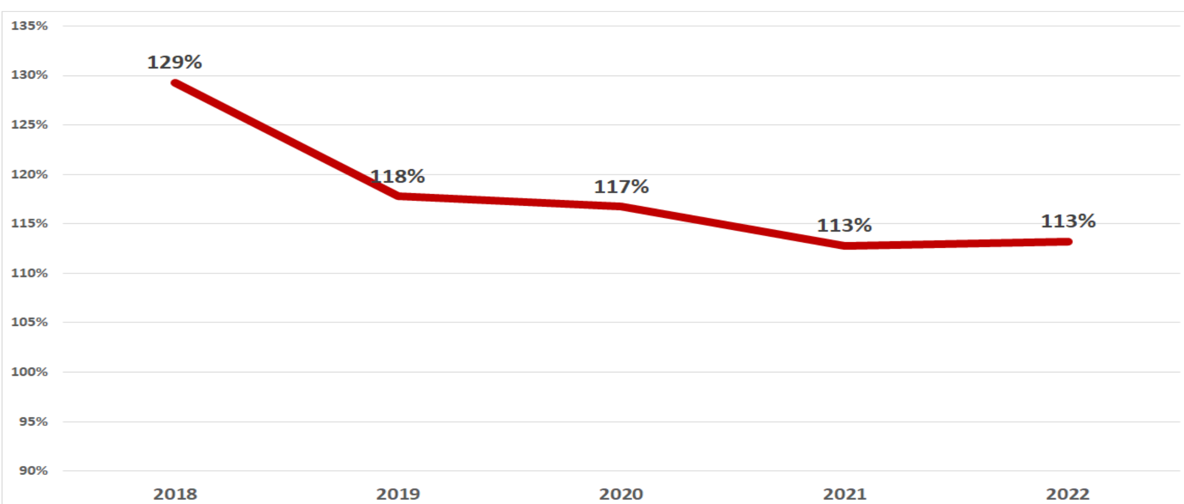
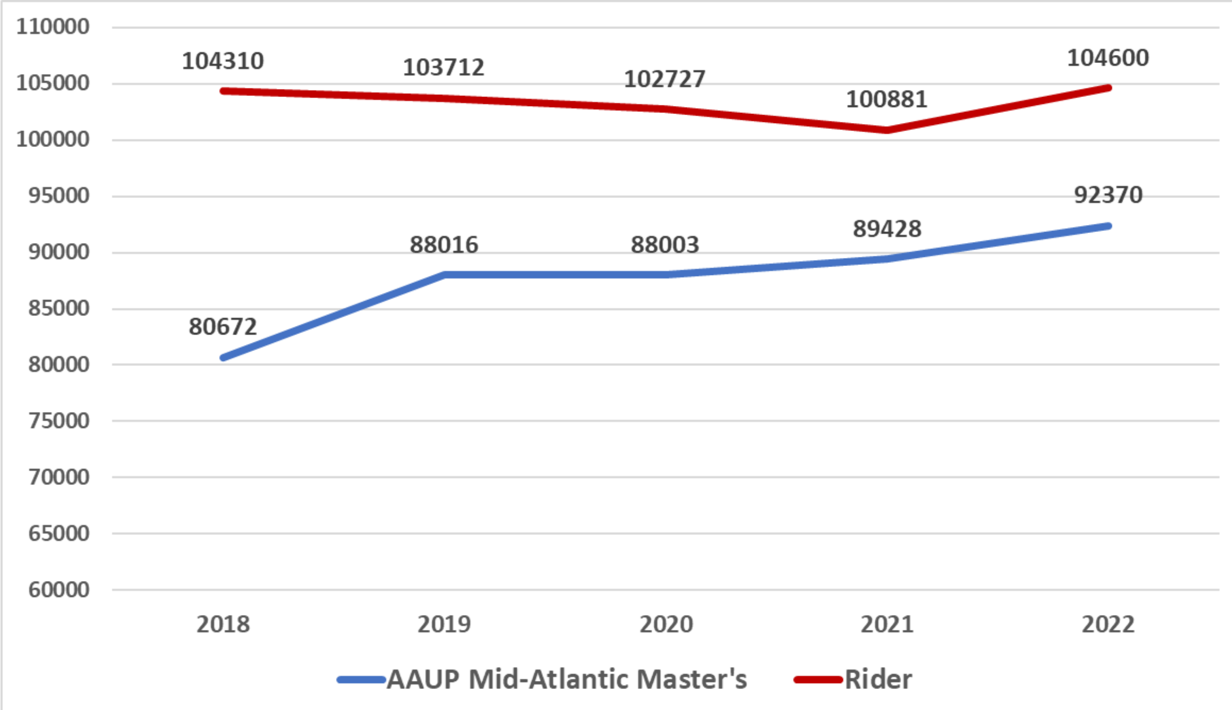


Figure 3: Rider Average FT Faculty Salary vs. Mid-Atlantic, Master's Institutions



Source: AAUP Faculty Compensation Survey Results, 2018-2022

All of the above data supports the fact that cost reductions in areas associated with the cost of instruction can be achieved without jeopardizing the University's ability to provide competitive salary and benefits to bargaining unit members.

Given the current operating deficit, Rider must make immediate and fundamental changes to its instructional model to sustain the institution. To this end, the University again is proposing changes to the salary structure and benefits contributions for all bargaining unit members as listed in the table of proposed language changes below. Additionally, the University has included other economic proposals that impact the cost of instruction, such as faculty workload, priority adjunct benefits, tuition remission and healthcare costs. Without the savings generated from these proposals, the financial forecast reflects unsustainable on-going deficits. Thus, Rider’s proposals with respect to compensation and benefits, while intended to reduce the cost of instruction, will still allow Rider to remain competitive.

As noted above, the University once again is proposing changes to the current language addressing faculty governance and promotion and tenure. Several articles in the collective-bargaining agreement minimize the role of administration in academic policy processes and promotion and tenure decisions, leaving many management decisions in the hands of the AAUP members. To be clear, we are not looking to eliminate the faculty’s input in academic matters at the University, but the creation of a Faculty Senate, with representation from every academic department at the University, will facilitate broader faculty input and encourage more inclusive dialogue, while at the same time vesting managerial responsibility with the University administration. This will increase the University’s nimbleness and flexibility so that it can make the important changes necessary to address investment in our future and create greater alignment with most private institutions of higher education–again all while preserving an open, deliberative shared governance process.

For all of the above reasons, the collective bargaining negotiations slated for this summer may be the most important in Rider history. With that in mind, below are the University's proposals for changes to the collective bargaining agreement, in concept form. Detailed language will be presented as each item is discussed.

ARTICLE	PROPOSAL
VI.A.2, VI.A.6, VIII.F.6, VIII.G.1, VIII.G.2, VIII.I.a, XXXIV.A.2	Eliminate Assistant Professor II rank.
VI.A.6	Eliminate tiers within the lecturer rank.
VII.A.3	Modify language so all authorizations to fill vacancies are tentative.
VIII.A.1, VIII.D.1, VIII.D.2.d, VIII.D.3, VIII.E.2, VIII.E.4, XVIII.B	Modify language so as to require evaluations from students and external reviews of scholarly activity.
VIII.A.6, VIII.D.7, VIII.D.8	Modify language so promotion and tenure recommendations from the Promotion and Tenure Committee are made to the President.
VIII.B, VIII.C	Remove the President from the Promotion and Tenure Committee.
VIII.C.2, VIII.E	Modify language so promotion and tenure appeals go to the President.
XI	Eliminate any references to chairperson compensation or workload.
XII	Eliminate this article and create faculty senate.
XIII	Eliminate this article and create faculty senate.
XV.A.2, XV.G	Modify language regarding layoff timeline so University has until March 31 to notify affected bargaining unit members.
XVI.D	Eliminate the Athletic III rank for assistant coaches and assistant athletic trainers.
XVII.B.3	Modify language related to elevation to preferred adjunct status.
XVII.C.2	Eliminate sunset relating to the pause on new priority adjuncts such that there will be no new priority adjuncts added to the current complement of priority adjuncts.
XXII.D	Modify language so as to limit expedited arbitrations to good faith allegations of a discharge without proper cause. Eliminate 45-day waiting period.
XXIV.B	Modify language so as to not require the University to provide office space to full-time bargaining unit members who exclusively teach distance learning courses in a semester.
XXIV.F	Eliminate secretarial support limitations.
XXV	Modify language so as to exclude from coverage any wrongful act committed by a bargaining unit member outside the scope of employment, or with the knowledge that it was unlawful or with the

	intent to harm or injure if an investigation by the University establishes such knowledge or intent.
XXVII, XXXI	Course selection advisement will be the primary responsibility of the Student Navigation Office with final approval by the faculty.
XXVII	Modify language regarding overload, supported research, and/or count-to-nine work.
XXVII.B.4, XXVII.C, XXVII.J	Modify language regarding class size and compensation.
XXVII.F, XXVII.J, XXVII.R, XXVII.S	Modify language so as to increase faculty workload to four courses in the fall and four courses in the spring and so as to increase lecturer workload to five courses in the fall and five courses in the spring, and corresponding changes related to reduced load for Promotion and Tenure Committee Chair and minimum teaching assignments for full-time bargaining unit members.
XXVII.F.4	Modify language so as to have a minimester course count toward teaching workload for that semester for purposes of determining the contact-hour maximum.
XXVII.L	Modify language so as to increase maximum preparations to no more than six different courses during an academic year or three different courses during a single academic semester.
XXVIII.D, XXXI.B.10, XXXI.C.10	Modify language so as to increase the library faculty standard work year from 205 to 220 days.
XXXI.B.1, XXXI.B.4, XXXI.C.1, XXXI.C.4	Modify language so as to limit research and development leaves to one every seven years.
XXXI.E, XXXI.G	Modify language and compensation related to faculty development.
XXXIV.B.12.a.ii, XXXIV.B.12.b	Replace the current external tuition remission benefit with eligibility for the tuition exchange program.
XXXI.I.2	Eliminate reimbursement for research fund.
XXXII.D.2	Eliminate restrictions on University's ability to require faculty to develop and teach distance learning courses.
XXXIV.A.2	Eliminate lecturer ranks, modify lecturer minimum salary and Athletic Staff I and II minimum salaries.
XXXIV.A.3	Eliminate longevity increases.
XXXIV.A.4	Modify language and compensation related to adjunct salaries.
XXXIV.A.8	Eliminate compensation for governance committee service.
XXXIV.B	Add language giving the University the right to amend, change, modify, or terminate health benefit plan documents.
XXXIV.B.2, XXXIV.B.3	Plan Options and Employee Contributions ● Eliminate the 100/80 Plan. ● Eliminate the Select Choice (HMO) Plan. ● Modify the 90/70 Plan. ● Modify the Advantage Health Savings Plan (HDHP).

	• Increase employee contributions and modify language such that contributions are a percentage of plan costs. • Modify the Rx benefits plan. • Eliminate $700 payment to employees who waive coverage under medical plan.
XXXIV.B.8.a	Modify language related to priority adjunct health benefits.