



May 17, 2023 Re: Board of Trustees Meeting ASF Remarks

"I am a single mother, with a disabled child. I do not receive consistent child support. I make \$100 too much to qualify for SNAP benefits (SNAP is a program for needy family so they can have healthy food). My income qualifies my children for Medical Assistance as a secondary, which I am thankful for, otherwise, I would not be making it with all the doctors' appointments (and copays) I would have to pay. I live off my previous tax refund to make it through the year, even with my side hustle. I have had to work as many as two outside jobs in the past. It really frustrates me that the percentage increase each year doesn't even cover the cost of our insurance premiums going up. That was BEFORE inflation was even an issue. I love my job, and my students, which is why I stay. But I am literally burning both ends of the candle, and I am burning out quickly."

Good Afternoon - honorable Chair Moe and Vice Chair Soule, esteemed Chancellor Malhotra, and respected members of the Board of Trustees, my name is Kristy Modrow, State MSUAASF President. The statement I read was submitted by an ASF member in response to the ASF 2023 Salary Study. The findings of the survey are available as part of your meeting materials as well as posted on the BOT meet website. In preparation for the June BOT meeting, I will provide a supplementary video along with further survey results.

The core value of Minnesota State is to, "provide an opportunity for all Minnesotans to create a better future for themselves, for their families, and for their communities." However, it is crucial to question whether Minnesota State has overlooked the well-being of its employees, their families, and their communities. Despite the dedicated service of ASF members in assisting students through housing, operating the campus food pantry, offering financial aid counseling, and providing mental health and healthcare support, these very members find themselves grappling with challenges such as unaffordable housing, relying on local food shelves, seeking emergency loans, and postponing crucial mental health and preventive healthcare due to financial constraints.

Unfortunately, a distressing pattern has surfaced over the past decade or so. ASF members have significantly lagged behind their counterparts on campuses and within the industry in terms of earning a sustainable wage. Today, I will share personal accounts from our members, accompanied by compelling data that substantiates these narratives. The data shared comes from the Statewide ASF 2023 Salary Study, which had a 59.35% response rate. While these stories may be difficult to hear, it is important to note that they are shared not to shame or mock, but rather to convey the unfiltered truth. I urge you to receive this message as a sincere representation of our unwavering dedication to improving our collective work environment.

**60.57% ASF employees are living paycheck to paycheck and 66.38% ASF employees wait until payday for sufficient funds to cover a bill.**

"I am actually considering filing bankruptcy because I can't afford to pay my bills and had to resort to credit over and over. So now my entire income goes to my bills and my monthly payments. There is nothing extra. If any emergency were to happen I wouldn't know what to do at this point. I have never been in this type of situation, it's embarrassing and humiliating."

**58.6% ASF employees work one or more side gigs and more than 2/3 of ASF employees had to dip into savings to pay for food, housing or childcare.**

“As a person living on 1 income who has more than 20 years of ASF service, no dependents besides a pet, live in a modest home and drive an 8 year old vehicle, I never thought I would be forced to take a second job to just afford essentials like food, utilities, mortgage, taxes/insurance, etc. I cut out cable, cancelled all memberships including the gym, cut out any unnecessary shopping (only shop 2nd hand stores and the cheap grocery store), and rarely eat out. I only keep my house at 65 degrees, which is sometimes barely comfortable, and I'm trying to find a new cell phone carrier as the \$84 Verizon bill is getting to be too much. Even my second job, which is as flexible as it can be around my work schedule, is still not enough to make me feel comfortable or keep me from worrying how much is in my checking account between paychecks. I've had some house issues pop up recently. So while I'm not spending my savings on essentials, I've had to spend them on some costly repairs. With the state of everything, I'm not contributing anything back to a dwindling savings account right now just to keep my ends met.”

**82.28% ASF employees have made personal sacrifices to pay for basic needs.**

“I personally have frequent feelings of hopelessness, but I can't seek counseling because the copays will just propel my family further into debt.”

**What our survey missed... was asking members about their utilization of social assistance programs.**

Unprompted, many members disclosed anonymously they rely on food banks, housing assistance, free and reduced lunch for their kids, healthcare assistance programs and more. Without these services, they would not make it.

ASF members take great pride in their invaluable work of supporting students. However, we find ourselves at a critical juncture. A staggering **three out of four ASF employees have seriously contemplated leaving their positions due to inadequate wages during the previous academic year.** The implications of such a mass exodus on the future of our universities are profound. Who would be there to respond to students experiencing suicidal ideation at 3 am in the residence hall? How many extra semesters will students have to endure as they resort to self-advising without the necessary support?

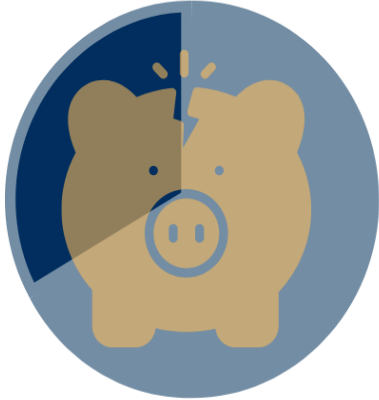
We have shared the survey results during negotiation sessions with management, as well as at campus and state Meet and Confers. During the state Meet and Confer, it was evident that there exists a significant disparity, amounting to \$275,338.86, between the highest paid Minnesota State employee present (excluding Chancellor Malhotra) and the lowest paid ASF member. This substantial inequity raises concerns about management's ability to fully understand the issue.

We earnestly appeal to you to prioritize allocating resources towards providing ASF members with livable wages to create a better future for themselves, their families and communities. We strongly believe that by collaborating, we can develop fair compensation strategies and tools that will ensure equitable salaries for ASF employees, enabling them the ability to not just survive, but to thrive.

Thank you for your time.

Kristy Modrow, MSUAASF State President

More than 2 out of 3 members had to dip into savings to pay for food, housing, or childcare



# Statewide Salary Survey Results 2023

59.35% Response Rate



82.28%  
made personal sacrifices to pay for basic needs



57.57% members are living paycheck to paycheck

58.6% work 1 or more "side gigs"



76.92%

have considered leaving their position for better wages



66.38% wait until payday for sufficient funds to pay a bill



29.54% have been forced to pay a bill late due to insufficient funds



72.21% report significant stress over low balances in savings & checking accounts



*Helping Students Thrive,  
While We Barely Survive.  
Living Wages for ASF!*

## 2023 ASF Salary Study Results

In preparation for:  
Minnesota State Board of Trustees Meeting  
May 17, 2023



# Data Collection

- All 7 Universities included in data
- Responses collected December 2022 – February 2023
- 59.35% response rate
  - Given our population size, this response rate is statistically significant and results can be trusted with 95% confidence level and less than 3% margin of error (<https://www.checkmarket.com/sample-size-calculator/>)



# What We Already Know

## Economic Increase

- 89.72% rate a salary increase as very important or extremely important
- No surprise that this is critically important to our members, anyone would agree
- But there's more underlying this number....





# What We Learned

## Economic Reality



**60.57% members  
are living  
paycheck to  
paycheck**

“

The reality is I AM one of the individuals living paycheck-to-paycheck, constantly evaluating and re-evaluating my finances to provide for myself and my family, and navigating how to survive before I can even thrive. How can one keep up with the cost of living and inflation while not trying to burn out at work? The job is the same, but the demand and workload is much higher post-pandemic (understaffing, limited resources, outreach to students, etc.).

”



# What We Learned

## The "Side Hustle"

**58.6% work 1 or more "side gigs"**



*I have a master's degree and 6 years of experience and make \$40,000. My partner and I started our family last year and welcomed our healthy baby into this world. With the cost of living, inflation, and cost of childcare we have both been forced to pick up a "side hustle" to help cover these costs. Starting a family in your late 20's early 30's shouldn't be based on money. Unfortunately, for many young couples starting a family is put on the back burner due to financial issues. It's time to raise wages to match the current situation of the world. \$40,000 with a master's degree and 6 years of experience is unacceptable.*



- Their full-time, state-employee, master's level job does not cut it to afford to live.





# What We Learned

## Mental Health & Money



**72.21% report  
significant stress  
over low balances in  
savings and checking  
accounts**



“

My job, my colleagues, and this institution matter so much to me, but I am actively seeking a new position that will allow me to pay my bills. My financial stress outweighs my job satisfaction. I do not have faith in our wages catching up and/or rising at a rate to help me live comfortably.

”



# What We Learned

## Mental Health & Money

More than 2 out of 3 members  
had to dip into savings to pay for  
food, housing, or childcare



“

My two kids are on WIC and MinnesotaCare health insurance because of my low income. Without those safety nets, it would be very challenging for us to afford food and healthcare. Also, our furnace broke this year, and we needed to take out a loan to replace it.

”

- Over 66.66% of respondents can't afford necessities like food, housing and childcare on their monthly income.



# What We Learned

## Mental Health & Money



**82.28% have made  
personal sacrifices to pay  
for basic needs**

“

*I personally have frequent feelings of hopelessness, but I can't seek counseling because the copays will just propel my family further into debt.*

”

- Because of their inability to afford necessities, employees have stopped taking care of their mind, body, and soul. These personal sacrifices like loss of hobbies, self-care, and simple luxuries further exacerbates poor mental health and stress.



# What We Learned

## Mental Health & Money

**66.38% wait until payday for sufficient funds to cover a bill**



**29.54% have been forced to pay a bill late due to insufficient funds**

“

....As I am typing this, I am waiting impatiently for my next paycheck just so I can pay my electricity and cell phone bills (both split with another person) which were both due last week. I used to have a growing savings account, but I keep having to dip into it to buy groceries, now it's under \$250.

”

- The psychological damage of ASF employees not being able to afford bills causes extreme stress and elevates burnout, de-moralization, and hopelessness.



# What We Learned

## Actively Searching & Considering Other Opportunities

**76.92%**

**have considered  
leaving their  
position for  
more money**



“

With a family of three children, the costs for living expenses has significantly increased. Our daycare had three price increases this year (usually its 0-1) totaling 8.9% increase from 2021 prices. Our grocery bills are up 13%. The cost of fuel and trips have increased to where our salary cannot cover non-essential spending. I am actively searching for position outside the university that pays better....I have long been frustrated with the Salary compression in ASF. I have been with my institution for 10+ years. I am currently at step 3. I could quit and reapply for my position and receive a significant pay increase.

”



# Surprises & Mistakes

Participation in Social Assistance Programs: Food, Housing, Healthcare

- We should have asked about the need for participation in Social Assistance Programs.
- Unprompted, many members disclosed anonymously they rely on food banks, housing assistance, free and reduced lunch for their kids, healthcare assistance programs and more. Without these services they wouldn't make it.

“  
Even as a Range D, it is difficult to make ends meet. We are eligible for Free & Reduced Lunches, and qualify for energy assistance. I find it shameful that with my current salary, I still am eligible for such programs.”

“  
We are here to promote education as a means to a better quality of life and higher-paying jobs, and we are not given just compensation for our service, education, and commitment. I have to access the food pantry and any other social service possible to break even.”



# What we Know

## ASF Salaries

**ASF Range C/Step 1 in January 2011: \$37,743**

**ASF Range C/Step 1 in February 2023: \$44,354**

2023 ASF Range C/Step 1 salary, if adjusted for inflation, should be \$51,559  
a discrepancy of \$ 7,205

*NUMBERS CALCULATED VIA US BUREAU OF LABOR STATISTICS CPI CALCULATOR*

This is not a personal finance budgeting problem; our salaries have not kept up with inflation and compression. And our people are in crisis.





# What Can Be Done?

- Pay livable wages!
- Review and adjust the Creditable Experience Worksheet, an employer document set by Minnesota State Labor Relations that applies to new ASF employees (*ASF Contract Article 12, section F*) and promoted ASF employees (*ASF Contract section G*).
- Conduct a comprehensive pay equity analysis: Evaluate current salary structures and compensation practices. Identify significant disparities and determine root causes of pay gaps.
- Engage in dialogue and collaboration: Encourage communication and collaboration between management and employees to foster a collective understanding of the pay equity issue. Through discussions develop effective solutions.